

**European Metal Recycling USA  
Holdings Limited (formerly EMR  
Financing Limited)**

Annual report and financial statements

Registered number 08355855

31 December 2018



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## Strategic report

The directors present their Strategic report and financial statements for the year ended 31 December 2018. On 17 January 2018, the company changed its name to European Metal Recycling USA Holdings Limited.

### Principal activities

The principal activity of the Company was that of intermediate holding company.

### Business review and results

During 2018 the investment income from the holding of shares in group companies was \$nil (2017: \$nil). Profit after tax for the year amounted to \$65,000 (2017: loss \$67,000).

### Key performance indicators

The Company is a holding company with no trading activity. There are therefore no applicable KPIs to disclose.

### Principal risks and uncertainties

- *Macroeconomic conditions* – The Company's subsidiary companies have exposure to both scrap metal prices and arisings, both of which are inherently linked to the global economic environment. Consequently, changes in the levels of consumer and industrial activity will have a direct impact on the supply of, and demand for, recycled metal and therefore the level of activity and investment returns achieved by the company. In response to this risk, senior management aim to keep abreast of economic conditions and modify strategies accordingly.
- *Liquidity risk* - The Company has availability to liquid funds through the central treasury function of its holding company European Metal Recycling Limited ('EMR'). The EMR Group has access to short term flexibility in its borrowing via overdraft and bank revolver facilities and access to longer term borrowing through multi-currency credit facilities with a group of international banks.

### Going concern

The directors believe that the Company is well placed to manage its business risk successfully despite the continued uncertain economic outlook. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

Signed on behalf of the Board



**Mr C P Sheppard**  
Director  
1 May 2019

Sirius House  
Delta Crescent  
Westbrook  
Warrington  
WA5 7NS

## **Directors' report**

The directors present their report and the financial statements for the year ended 31 December 2018.

### **Proposed dividend**

The directors recommend the payment of a \$nil dividends (2017: \$nil).

### **Directors**

The directors who held office during the year were as follows:

Christopher Sheppard  
Neil Stinson

During the financial year, a qualifying third party indemnity provision for the benefit of all of the directors was in force.

### **Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



**Mr C P Sheppard**  
*Director*

1 May 2019

Sirius House  
Delta Crescent  
Westbrook  
Warrington  
WA5 7NS

## **Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements**

The directors are responsible for preparing the strategic report, 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## **Independent auditor's report to the members of European Metal Recycling USA Holdings Limited (formerly EMR Financing Limited))**

### **Opinion**

We have audited the financial statements of European Metal Recycling USA Holdings Limited (formerly EMR Financing Limited) ("the company") for the year ended 31 December 2018 which comprise the profit and loss account and other comprehensive income, balance sheet, statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **The impact of uncertainties due to the UK exiting the European Union on our audit**

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance:

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation

# **Independent auditor's report to the members of European Metal Recycling USA Holdings Limited (formerly EMR Financing Limited) (continued)**

## **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

## **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

## **Directors' responsibilities**

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

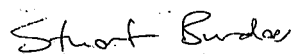
## **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## **The purpose of our audit work and to whom we owe our responsibilities**

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



**Stuart Burdass (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
1 St Peter's Square, Manchester, M2 3AE  
3 May 2019

**Profit and Loss Account and Other Comprehensive Income**  
*for the year ended 31 December 2018*

	<i>Note</i>	<b>2018</b> <b>\$000</b>	<b>2017</b> <b>\$000</b>
<b>Turnover</b>	2,3	<b>267</b>	1,935
Cost of sales	3	(267)	(1,935)
		<hr/>	<hr/>
<b>Gross profit</b>	3	-	-
Administrative expenses		(1)	-
		<hr/>	<hr/>
<b>Operating loss</b>		(1)	-
Income from shares in group undertakings		-	-
Interest payable and similar charges	4	-	-
		<hr/>	<hr/>
<b>Loss on ordinary activities before taxation</b>	2-4	(1)	-
Tax on loss on ordinary activities	5	66	(67)
		<hr/>	<hr/>
<b>Profit/(Loss) for the financial year</b>		<b>65</b>	<b>(67)</b>
		<hr/>	<hr/>
<b>Other comprehensive income</b>		-	-
<b>Other comprehensive income for the year, net of income tax</b>		-	-
		<hr/>	<hr/>
<b>Total comprehensive income/(loss) for the year</b>		<b>65</b>	<b>(67)</b>
		<hr/>	<hr/>

The notes on pages 9 to 18 form an integral part of the financial statements.



**Balance Sheet**  
*at 31 December 2018*

	<i>Note</i>	<b>2018</b> <b>\$000</b>	<b>2018</b> <b>\$000</b>	<b>2017</b> <b>\$000</b>	<b>2017</b> <b>\$000</b>
<b>Fixed assets</b>					
Investments	6		<u>705,829</u>		<u>705,829</u>
<b>Current assets</b>					
Debtors	7	9,032		11,288	
Cash at bank and in hand				1	
		<u>9,032</u>		<u>11,289</u>	
<b>Creditors: amounts falling due within one year</b>	8			<u>(2,322)</u>	
<b>Net current assets</b>			<u>9,032</u>		<u>8,967</u>
<b>Total assets less current liabilities</b>			<u>714,861</u>		<u>714,796</u>
<b>Creditors: amounts falling due after more than one year</b>					
<b>Net assets</b>			<u>714,861</u>		<u>714,796</u>
<b>Capital and reserves</b>					
Called up share capital	9		16		16
Share premium account	10		721,544		721,544
Other reserves	10		13,110		13,110
Profit and loss account	10		<u>(19,809)</u>		<u>(19,874)</u>
<b>Shareholders' funds</b>			<u>714,861</u>		<u>714,796</u>

These financial statements were approved by the board of directors on 1 May 2019 and were signed on its behalf by:



**Mr C P Sheppard**  
*Director*

Company registered number: 08355855  
 Sirius House  
 Delta Crescent  
 Westbrook  
 Warrington  
 WA5 7NS

The accounting policies and notes on pages 9 to 18 form part of these financial statements.

## Statement of Changes in Equity

	Called up Share capital \$000	Share Premium account \$000	Other reserves \$000	Profit and Loss account \$000	Total equity \$000
Balance at 1 January 2017	16	721,544		(19,807)	701,753
<b>Total comprehensive income for the period</b>					
Profit or loss	-	-		(67)	(67)
Other comprehensive income	-	-		-	-
Total comprehensive income for the period	-	-	-	(67)	(67)
Transactions with owners, recorded directly in equity					
Capitalisation of loans due to group undertakings (note 10)	-	-	13,110	-	13,110
Total contributions by and distributions to owners	-	-	13,110	-	13,110
<b>Balance at 31 December 2017</b>	<b>16</b>	<b>721,544</b>	<b>13,110</b>	<b>(19,874)</b>	<b>714,796</b>

	Called up Share capital \$000	Share Premium account \$000	Other reserves \$000	Profit and Loss account \$000	Total equity \$000
Balance at 1 January 2018	16	721,544	13,110	(19,874)	714,796
<b>Total comprehensive income for the period</b>					
Profit or loss	-	-	-	65	65
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	65	65
<b>Balance at 31 December 2018</b>	<b>16</b>	<b>721,544</b>	<b>13,110</b>	<b>(19,809)</b>	<b>714,861</b>

The accounting policies and notes on pages 9 to 18 form part of these financial statements.

## Notes

(forming part of the financial statements)

### 1 Accounting policies

European Metal Recycling USA Holdings Limited (the "Company") is a private company limited by shares and incorporated and domiciled in the UK. The registered office is Sirius House, Delta Crescent, Westbrook, Warrington, WA5 7NS.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*"). The presentation currency of these financial statements is US Dollar. All amounts in the financial statements have been rounded to the nearest \$'000.

The Company's ultimate parent undertaking, Ausurus Group Ltd includes the Company in its consolidated financial statements. The consolidated financial statements of Ausurus Group Ltd are available to the public and may be obtained from Companies House. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The Company proposes to continue to adopt the reduced disclosure framework of FRS102 in its next financial statements.

The directors are of the opinion that there are no judgements in the application of these accounting policies that have a significant effect on the financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### **Measurement convention**

The financial statements are prepared on the historical cost basis.

#### **Going concern**

The financial statements have been prepared on the basis of the Company being a going concern, on the basis that forecasts have been prepared to show that the Company has sufficient resources to meet liabilities when they arise. The board of directors are confident that the financial accommodation to meet the working capital requirements of the Company will be available at least for a period of twelve months from the date of the approval of the financial statements.

#### **Functional currency**

The functional currency of the Company is the US dollar.

## Notes (continued)

### 1 Accounting policies (continued)

#### *Foreign currency*

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

#### *Classification of financial instruments issued by the Company*

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

#### *Basic financial instruments*

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Interest-bearing borrowings classified as basic financial instruments*

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

##### *Investments in ordinary shares*

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognition in profit or loss. Other investments are measured at cost less impairment in profit or loss.

#### *Turnover*

Turnover is measured at the fair value of consideration receivable by the Group for goods supplied and a service produced, excluding VAT and trade discounts.

## Notes (continued)

### 1 Accounting policies (continued)

#### Expenses

##### Interest receivable and interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset/are expensed as incurred.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

#### Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

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.

#### Impairment excluding stocks and deferred tax assets

##### Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

## Notes (continued)

### 1 Accounting policies (continued)

#### Impairment excluding stocks and deferred tax assets (continued)

##### Non-financial assets

The carrying amounts of the Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire entity into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 2 Segmental information

The turnover and profit on ordinary activities before taxation is attributable to the purchasing, processing and sale of ferrous and non-ferrous scrap metal and associated activities.

The analysis of turnover, profit before tax and net assets by geographical market required by the Companies Act 2006 has not been provided as, in the opinion of the directors, such disclosure would be seriously prejudicial to the interests of the Company.

### 3 Notes to the profit and loss account

None of the directors received any remuneration from the Company. The directors are remunerated by Ausurus Group Ltd, and their remuneration is disclosed in the financial statements of the Ausurus Group Ltd. It is not possible to accurately apportion the remuneration between subsidiary companies.

The fee in respect of the audit of the financial statements is borne by another group company.

### 4 Interest payable and similar charges

	2018 \$000	2017 \$000
On amounts payable to group companies	-	-

## Notes (continued)

### 5 Taxation

#### *Analysis of current tax recognised in profit and loss*

	2018 \$000	2017 \$000
<i>UK corporation tax</i>		
Current tax on income for the period	66	(67)
	<hr/>	<hr/>
Total current tax	66	(67)
	<hr/>	<hr/>
Total tax	66	(67)
	<hr/>	<hr/>

#### **Reconciliation of effective tax rate**

	2018 \$000	2017 \$000
Profit/(Loss) for the year	65	(67)
Total tax (charge)/credit	66	(67)
	<hr/>	<hr/>
Loss excluding taxation	(1)	-
Tax using the UK corporation tax rate of 19% (2017: 19.25%)	-	-
Non-deductible expenses	-	-
Unrecognised deferred tax losses	-	-
Adjustment in respect of prior years	(66)	-67
	<hr/>	<hr/>
Total tax (credit)/charge included in profit/(loss)	(66)	67
	<hr/>	<hr/>

### 6 Fixed asset investments

	Shares in group undertakings \$000
<i>Cost</i>	
At 1 January 2018	705,829
At 31 December 2018	705,829
	<hr/>
<i>Net book value</i>	
At 31 December 2018	705,829
	<hr/>
At 31 December 2017	705,829
	<hr/>

## Notes (continued)

### 6 Fixed asset investments (continued)

The companies and related undertakings in which the Company held an interest at the year end are as follows:

	Country of incorporation	Class of shares held	Percentage of shares held	
			2018	2017
<b><i>Subsidiary undertakings</i></b>				
EMR Financing LLC	USA	Ordinary	100%	100%
American Iron & Steel Company	USA	Ordinary	100%	100%
American Steel & Industrial Supply Co LLC	USA	Ordinary	100%	100%
Auto Shred Recycling LLC	USA	Ordinary	100%	100%
Automobile Recycling Services LLC	USA	Ordinary	100%	100%
EMR (USA Holdings) Inc	USA	Ordinary	100%	100%
EMR Advanced Recycling LLC	USA	Ordinary	100%	100%
EMR Eastern LLC	USA	Ordinary	100%	100%
EMR Energy LLC	USA	Ordinary	100%	100%
EMR Gold Export Services Inc	USA	Ordinary	100%	100%
EMR Gold Recycling LLC	USA	Ordinary	100%	100%
EMR Management Services LLC	USA	Ordinary	100%	100%
EMR Marine Terminals LLC	USA	Ordinary	100%	100%
EMR Polymers LLC	USA	Ordinary	100%	100%
EMR Trading LLC	USA	Ordinary	100%	100%
Envico Terminals LLC	USA	Ordinary	100%	100%
European Metal Recycling Inc	USA	Ordinary	100%	100%
Gainesville Homestead Properties LLC	USA	Ordinary	100%	100%
GMFW Real Property LLC	USA	Ordinary	100%	100%
GMR Recycling LLC	USA	Ordinary	100%	100%
GMV Enterprises LLC	USA	Ordinary	100%	100%
GMV Ltd	USA	Ordinary	100%	100%
GMR Operations Inc	USA	Ordinary	100%	100%
GMR Recycling LP	USA	Ordinary	100%	100%
Gold Metal Recyclers Fort Worth LLC	USA	Ordinary	100%	100%
Gold Metal Recyclers Gainesville LLC	USA	Ordinary	100%	100%
Gold Metal Recyclers Ltd	USA	Ordinary	100%	100%
Gold Metal Recyclers Management LLC	USA	Ordinary	100%	100%
Gold Metal Recyclers Oklahoma LLC	USA	Ordinary	100%	100%
Goldberg Industries Inc	USA	Ordinary	100%	100%
Great Western Recycling Inc	USA	Ordinary	100%	100%
GW Acquisition Corp	USA	Ordinary	100%	100%
International Shipbreaking Limited LLC	USA	Ordinary	100%	100%
Metals Reduction Company, LLC	USA	Ordinary	100%	100%
Northern Metals LLC	USA	Ordinary	100%	100%
Northern Metals Recovery LLC	USA	Ordinary	100%	100%
Phillips Recycling Systems LLC	USA	Ordinary	100%	100%
Reource Recycling LLC	USA	Ordinary	100%	100%
Southern Recycling LLC	USA	Ordinary	100%	100%
Southern Recycling Sales LLC	USA	Ordinary	100%	100%
Southern Scrap Material Co LLC	USA	Ordinary	100%	100%
Southern Scrap Recycling Morgan City LLC	USA	Ordinary	100%	100%
SSX LLC	USA	Ordinary	100%	100%
The Auto Store LLC	USA	Ordinary	100%	100%
Toy Eau Claire Properties LLC	USA	Ordinary	100%	100%
Toy Properties LLC	USA	Ordinary	100%	100%
Toy's Custom Shearing LLC	USA	Ordinary	100%	100%
Toy's Scrap and Salvage Corp	USA	Ordinary	100%	100%
Toy's Transport LLC	USA	Ordinary	100%	100%
Viking Land Holdings LLC	USA	Ordinary	100%	100%



## Notes (continued)

### 6 Fixed asset investments (continued)

	Country of incorporation	Class of shares held	Percentage of shares held 2018	2017
<i>Joint ventures</i>				
1751 Kenilworth Land, LLC	USA	Ordinary	50%	50%
Allegany Scrap, Inc.	USA	Ordinary	50%	50%
Atlas Traders, LLC	USA	Ordinary	50%	50%
Auto Recycling Real Estate, LLC	USA	Ordinary	50%	50%
Baltimore Western Marine Terminal LLC	USA	Ordinary	25%	25%
Beaver Heights Associates, LLC	USA	Ordinary	50%	50%
Camden Iron & Metal Inc.	USA	Ordinary	50%	50%
Camden Iron & Metal, LLC	USA	Ordinary	50%	50%
Camden Metal Company, Inc.	USA	Ordinary	50%	50%
Capitol Heights Metal Recycling Inc	USA	Ordinary	50%	50%
Caroline Lands LLC	USA	Ordinary	50%	50%
Caroline Scrap Metal Inc	USA	Ordinary	50%	50%
Carroll Land LLC	USA	Ordinary	50%	50%
Carroll Scrap Metal Inc	USA	Ordinary	50%	50%
Cohen Recycling, Inc.	USA	Ordinary	25%	25%
CRI Property Co., LLC	USA	Ordinary	25%	25%
Cumberland Land, LLC	USA	Ordinary	50%	50%
David Paul Inv., LLC	USA	Ordinary	50%	50%
Day Road Land LLC	USA	Ordinary	50%	50%
Deenah, LLC	USA	Ordinary	25%	25%
Delco Metals Inc	USA	Ordinary	50%	50%
Delmar Industries, LLC	USA	Ordinary	50%	50%
Denton Scrap Metal Recycling	USA	Ordinary	50%	50%
Dover Scrap Metal Inc	USA	Ordinary	50%	50%
Eastern Metal Recycling Inc	USA	Ordinary	50%	50%
Eastern Metal Recycling LLC	USA	Ordinary	50%	50%
Eastern Metal Recycling Terminal, LLC	USA	Ordinary	50%	50%
EMR / Smith Industries LLC	USA	Ordinary	50%	50%
F&K, Inc.	USA	Ordinary	50%	50%
FDR, LLC	USA	Ordinary	50%	50%
Frederick Motor Company, Inc.	USA	Ordinary	50%	50%
Frederick Scrap Inc	USA	Ordinary	50%	50%
Fredericksburg Land LLC	USA	Ordinary	50%	50%
General Auto Parts, Inc.	USA	Ordinary	50%	50%
Girard Point Corp	USA	Ordinary	50%	50%
Halethorpe Farms Land Inc.	USA	Ordinary	50%	50%
Harbor Auto Associates LLC	USA	Ordinary	50%	50%
Harrisonburg Land, LLC	USA	Ordinary	50%	50%
Hartly Land, LLC	USA	Ordinary	50%	50%
Hayden Auto Service Inc	USA	Ordinary	50%	50%
Hercules Auto Salvage, Inc.	USA	Ordinary	50%	50%
Innovative Recovery Products, LLC	USA	Ordinary	50%	50%
Johnstown Lands LLC	USA	Ordinary	50%	50%
Joppa 420, LLC	USA	Ordinary	50%	50%
Joppa 500, LLC	USA	Ordinary	50%	50%
Joppa Auto Salvage, Inc.	USA	Ordinary	50%	50%
Joseph Smith & Sons, Inc.	USA	Ordinary	50%	50%
JS Trucking, Inc.	USA	Ordinary	50%	50%
Kenilworth Recovery Systems, LLC	USA	Ordinary	50%	50%
Kent Land, LLC	USA	Ordinary	50%	50%
Kent Scrap Metal, Inc.	USA	Ordinary	50%	50%
L&L Acquisition Company	USA	Ordinary	50%	50%
L&L Waste Disposal & Metal Recycling Inc.	USA	Ordinary	50%	50%

## Notes (continued)

### 6 Fixed asset investments (continued)

	Country of incorporation	Class of shares held	Percentage of shares held	
			2018	2017
<i>Joint ventures (continued)</i>				
Lands of Shenandoah LLC	USA	Ordinary	50%	50%
Lands of Woodbridge LLC	USA	Ordinary	50%	50%
Manassas Land, LLC	USA	Ordinary	50%	50%
Metal Properties, Inc.	USA	Ordinary	50%	50%
Olive Street Property, LLC	USA	Ordinary	50%	50%
Preston Terminals Inc	USA	Ordinary	50%	50%
Prince Georges Scrap, Inc.	USA	Ordinary	50%	50%
Prince William Metal Recycling, Inc	USA	Ordinary	50%	50%
R. Kelly Freedman Holding Group, LLC	USA	Ordinary	50%	50%
R.P. Smith Properties, LLC	USA	Ordinary	50%	50%
R. Fanelle & Sons Inc	USA	Ordinary	50%	50%
Recovermat Mid-Atlantic LLC	USA	Ordinary	50%	50%
Recovermat Technologies, Inc.	USA	Ordinary	50%	50%
Recycling Properties LLC	USA	Ordinary	50%	50%
Rhino Recycling Inc	USA	Ordinary	50%	50%
Ritchie Road Land, LLC	USA	Ordinary	50%	50%
RPM Realty LLC	USA	Ordinary	50%	50%
RPS Land, LLC	USA	Ordinary	50%	50%
RPS Marine, LLC	USA	Ordinary	50%	50%
RPS Mid-Atlantic Marine Terminal, LLC	USA	Ordinary	50%	50%
RPS Realty Holdings LLC	USA	Ordinary	50%	50%
S Street Land, LLC	USA	Ordinary	50%	50%
Salisbury Scrap Metal Inc	USA	Ordinary	50%	50%
Satellite Services Inc	USA	Ordinary	50%	50%
Service Bays, LLC	USA	Ordinary	50%	50%
Shenandoah Scrap Metal Inc	USA	Ordinary	50%	50%
Smith Camden Disc Inc	USA	Ordinary	50%	50%
Smith CRI, LLC	USA	Ordinary	50%	50%
Smith Export Terminal, Inc.	USA	Ordinary	50%	50%
Smith Industries, Inc.	USA	Ordinary	50%	50%
Smith Payroll Services, Inc.	USA	Ordinary	50%	50%
Smith Railroad Company Inc	USA	Ordinary	50%	50%
SPC Corporation	USA	Ordinary	50%	50%
Stafford Scrap Metal Inc	USA	Ordinary	50%	50%
Sussex Scrap Metal, Inc.	USA	Ordinary	50%	50%
Tioga Real Estate, LLC	USA	Ordinary	50%	50%
United Compressed Steel Company	USA	Ordinary	50%	50%
Vineland Processing Inc	USA	Ordinary	50%	50%
Westernport Land, LLC	USA	Ordinary	50%	50%
Westernport Salvage, Inc.	USA	Ordinary	50%	50%
Wicomico Land LLC	USA	Ordinary	50%	50%
Winchester Land, LLC	USA	Ordinary	50%	50%
Woodbridge Metal Recycling Inc	USA	Ordinary	50%	50%
Henderson Scrap Metal Inc	USA	Ordinary	50%	50%
Johnstown Scrap Metal, Inc	USA	Ordinary	50%	50%
Somerset Scrap Metal, Inc	USA	Ordinary	50%	50%
US Electronics, LLC	USA	Ordinary	50%	50%
Westover Scrap Metal Inc	USA	Ordinary	50%	50%
Wilmington Metal Recycling Inc	USA	Ordinary	50%	50%
Henderson Land, LLC	USA	Ordinary	50%	50%
Lands of Somerset, LLC	USA	Ordinary	50%	50%
US Electronics Land LLC	USA	Ordinary	50%	50%
Lands of Westover, LLC	USA	Ordinary	50%	50%
Springfield Scrap Metal Inc	USA	Ordinary	50%	50%

## Notes (continued)

### 6 Fixed asset investments (continued)

	Country of incorporation	Class of shares held	Percentage of shares held	
<i>Joint ventures (continued)</i>				
Gunston Cove Land, LLC	USA	Ordinary	50%	50%
Winchester Scrap, Inc	USA	Ordinary	50%	50%

### 7 Debtors

	2018 \$000	2017 \$000
Trade debtors	-	2,323
Amounts due from group undertakings	9,032	8,965
	<u>9,032</u>	<u>11,288</u>

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

	2018 \$000	2017 \$000
Trade creditors	-	-
Amounts owed to group undertakings	-	2,322
	<u>-</u>	<u>2,322</u>

## Notes (continued)

### 9 Called up share capital

	2018 \$000	2017 \$000
<i>Allotted, called up and fully paid</i>		
10,000 (2017: 10,000) Ordinary shares of £1 each	16	16
	<u>16</u>	<u>16</u>

### 10 Share premium and reserves

	Other reserves \$000	Share premium account \$000	Profit and loss account \$000
Balance at 1 January 2018	13,110	721,544	(19,874)
Loss for the year	-	-	65
	<u>13,110</u>	<u>721,544</u>	<u>(19,809)</u>
<b>Balance at 31 December 2018</b>	<b>13,110</b>	<b>721,544</b>	<b>(19,809)</b>

### 11 Control

The ultimate parent undertaking is Ausurus Group Ltd which is registered in England and Wales. The registered office is Sirius House, Delta Crescent, Westbrook, Warrington, WA5 7NS.

The parent company is European Metal Recycling Ltd. The results are included in consolidated accounts of the parent company.

The largest group of undertakings for which group accounts have been drawn up which include the results of the Company is that headed by Ausurus Group Limited. Copies of the parent undertaking's financial statements are available from Companies House.

### 12 Related party disclosures

There were no further balances with related parties other than those disclosed in notes 6,7 and 8.