

**European Metal Recycling USA
Holdings Limited**

Annual report and financial statements

Registered number 08355855

31 December 2022

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Contents

Strategic report	1
Directors' report	2
Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements	3
Independent auditor's report to the members of European Metal Recycling USA Holdings Limited	4
Profit and Loss Account and Other Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes	10

Strategic report

The directors present their Strategic report and financial statements for the year ended 31 December 2022.

Principal activities

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

Key performance indicators

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

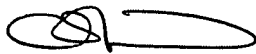
Principal risks and uncertainties

- *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 financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons. The Company is a non-trading holding company with no liabilities or working capital requirements. The Directors do not expect this position to change for at least twelve months from the date of approval of the financial statements. Consequently, they have prepared the financial statements on a going concern basis.

Signed on behalf of the Board



Mr C P Sheppard
Director
3 April 2023

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 2022.

Proposed dividend

The directors recommend the payment of a \$nil dividends (2021: \$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

Sirius House
Delta Crescent
Westbrook
Warrington
WA5 7NS
3 April 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual 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;
- 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

Opinion

We have audited the financial statements of European Metal Recycling USA Holdings Limited ("the Company") for the year ended 31 December 2022 which comprise the Profit and Loss Account and Other Comprehensive Income, the Balance Sheet, the 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 2022 and of its loss 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.

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").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

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 above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of directors and inspection of policy documentation as to the Group Limited's policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

We performed procedures including agreeing all accounting entries in the period to supporting documentation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EUROPEAN METAL RECYCLING USA HOLDINGS LIMITED *(continued)*

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EUROPEAN METAL RECYCLING USA HOLDINGS LIMITED *(continued)*

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.

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.

Stephanie Richardson.

Stephanie Richardson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One St. Peter's Square
Manchester
M2 3AE

Date: 5 April 2023

Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2022

	<i>Note</i>	2022 \$000	2021 \$000
Turnover	2	-	-
Cost of sales	2	-	-
		<hr/>	<hr/>
Gross profit	2	-	-
Administrative expenses		-	-
		<hr/>	<hr/>
Operating profit		-	-
Interest payable and similar charges	3	(946)	(92)
		<hr/>	<hr/>
Loss before taxation		(946)	(92)
Tax on loss	4	-	-
		<hr/>	<hr/>
Loss for the financial year		(946)	(92)
		<hr/>	<hr/>
Other comprehensive income			
Other comprehensive income for the year, net of income tax		-	-
		<hr/>	<hr/>
Total comprehensive loss for the year		(946)	(92)
		<hr/>	<hr/>

The notes on pages 10 to 19 form an integral part of the financial statements.

Balance Sheet
at 31 December 2022

	<i>Note</i>	2022 \$000	2022 \$000	2021 \$000	2021 \$000
Fixed assets					
Investments	5		705,829		705,829
			<hr/>		<hr/>
Current assets					
Debtors	6	8,097		9,043	
Cash at bank and in hand		-		-	
		<hr/>		<hr/>	
		8,097		9,043	
		<hr/>		<hr/>	
Net current assets			8,097		9,043
			<hr/>		<hr/>
Total assets less current liabilities			713,926		714,872
			<hr/>		<hr/>
Net assets			713,926		714,872
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	7		16		16
Share premium account	8		721,544		721,544
Other reserves	8		13,110		13,110
Profit and loss account	8		(20,744)		(19,798)
			<hr/>		<hr/>
Shareholders' funds			713,926		714,872
			<hr/>		<hr/>

These financial statements were approved by the board of directors on 3 April 2023 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 10 to 19 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 2021	16	721,544	13,110	(19,706)	714,964
Loss for the period	-	-	-	(92)	(92)
Total comprehensive loss for the period	-	-	-	(92)	(92)
Balance at 31 December 2021	16	721,544	13,110	(19,798)	714,872

	Called up Share capital \$000	Share Premium account \$000	Other reserves \$000	Profit and Loss account \$000	Total equity \$000
Balance at 1 January 2022	16	721,544	13,110	(19,798)	714,872
Loss for the period	-	-	-	(946)	(946)
Total comprehensive loss for the period	-	-	-	(946)	(946)
Balance at 31 December 2022	16	721,544	13,110	(20,744)	713,926

The accounting policies and notes on pages 10 to 19 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:

- 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.

Judgements made by the directors in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are provided in note 9.

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 a going concern basis which the directors consider to be appropriate for the following reasons. The Company is a non-trading holding company with no liabilities or working capital requirements. The Directors do not expect this position to change for at least twelve months from the date of approval of the financial statements. Consequently, they have prepared the financial statements on a going concern basis.

Notes (continued)

1 Accounting policies (continued)

Functional currency

The functional currency of the Company is the US dollar.

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.

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 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.

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 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.

The fee of \$9,000 (2021: \$6,872) in respect of the audit of the financial statements is borne by another group company.

3 Interest payable

	2022 \$000	2021 \$000
Net exchange differences on amounts due from group undertakings	(946)	(92)

Notes (continued)

4 Taxation

Analysis of current tax recognised in profit and loss

	2022 \$000	2021 \$000
<i>UK corporation tax</i>		
Current tax on income for the period	-	-
	<hr/>	<hr/>
Total current tax	-	-
	<hr/>	<hr/>
Total tax	-	-
	<hr/>	<hr/>

Reconciliation of effective tax rate

	2022 \$000	2021 \$000
Loss for the year	(946)	(92)
Total tax credit/(charge)	-	-
	<hr/>	<hr/>
Loss excluding taxation	(946)	(92)
Tax using the UK corporation tax rate of 19% (2021: 19%)	(180)	(18)
Non-deductible expenses	44	40
Group relief claimed for nil payment	136	(22)
	<hr/>	<hr/>
Total tax charge included in profit/(loss)	-	-
	<hr/>	<hr/>

5 Fixed asset investments

	Shares in group undertakings \$000
<i>Cost</i>	
At 1 January 2022	705,829
At 31 December 2022	705,829
	<hr/>
<i>Net book value</i>	
At 31 December 2022	705,829
	<hr/>
At 31 December 2021	705,829
	<hr/>

Notes (continued)

5 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	Principal Activity	Percentage of shares held	
			2022	2021
<i>Subsidiary undertakings</i>				
American Iron & Steel Company *2	USA	Metal recycler	100%	100%
American Steel & Industrial Supply Co LLC *3	USA	Metal recycler	100%	100%
Auto Shred Recycling LLC *4	USA	Dormant company	100%	100%
Automobile Recycling Services LLC *2	USA	Dormant company	100%	100%
EMR (USA Holdings) Inc *1	USA	Holding company	100%	100%
EMR Advanced Recycling LLC *1	USA	Metal recycler	100%	100%
EMR Eastern LLC *1	USA	Holding company	100%	100%
EMR Energy LLC *1	USA	Dormant company	100%	100%
EMR Financing LLC *1	USA	Holding company	100%	100%
EMR Gold Export Services Inc *1	USA	Dormant company	100%	100%
EMR Gold Recycling LLC *1	USA	Metal recycler	100%	100%
EMR Management Services LLC *1	USA	Holding company	100%	100%
EMR Marine Terminals LLC *1	USA	Metal recycler	100%	100%
EMR Polymers LLC *1	USA	Dormant company	100%	100%
EMR Trading LLC *1	USA	Metal recycler	100%	100%
Envico Stevedoring LLC *1	USA	Metal recycler	100%	100%
Gainesville Homestead Properties LLC *5	USA	Property company	100%	100%
GMFW Real Property LLC *5	USA	Property company	100%	100%
GMR Recycling LLC *5	USA	Metal recycler	100%	100%
GMV Enterprises LLC *5	USA	Metal recycler	100%	100%
GMV Ltd *5	USA	Metal recycler	100%	100%
GNR Operations Inc *5	USA	Metal recycler	100%	100%
GNR Recycling LP *5	USA	Metal recycler	100%	100%
Gold Metal Recyclers Fort Worth LLC *5	USA	Metal recycler	100%	100%
Gold Metal Recyclers Gainesville LLC *5	USA	Metal recycler	100%	100%
Gold Metal Recyclers Ltd *5	USA	Metal recycler	100%	100%
Gold Metal Recyclers Management LLC *5	USA	Metal recycler	100%	100%
Gold Metal Recyclers Oklahoma LLC *5	USA	Metal recycler	100%	100%
Goldberg Industries Inc *5	USA	Dormant company	100%	100%
Great Western Recycling Inc *6	USA	Metal recycler	100%	100%
GW Acquisition Inc *6	USA	Holding company	100%	100%
International Shipbreaking Limited LLC *7	USA	Metal recycler	100%	100%
Metals Reduction Company, LLC *2	USA	Dormant company	100%	100%
Northern Metals LLC *2	USA	Metal recycler	100%	100%
Northern Metals Recovery LLC *2	USA	Dormant company	100%	100%
Phillips Recycling Systems LLC *2	USA	Metal recycler	100%	100%
Reource Recycling LLC *4	USA	Dormant company	100%	100%
Southern Recycling Sales LLC *4	USA	Metal recycler	100%	100%
Southern Scrap Material Co LLC *4	USA	Metal recycler	100%	100%
Southern Scrap Recycling Morgan City LLC *4	USA	Dormant company	100%	100%
SSX LLC *4	USA	Dormant company	100%	100%
The Auto Store LLC *1	USA	Metal recycler	100%	100%
Toy Eau Claire Properties LLC *8	USA	Property company	100%	100%
Toy Properties LLC *8	USA	Property company	100%	100%
Toy's Custom Shearing LLC *8	USA	Dormant company	100%	100%
Toy's Scrap and Salvage Corp *8	USA	Metal recycler	100%	100%
Toy's Transport LLC *8	USA	Transport company	100%	100%
Viking Land Holdings LLC *4	USA	Property company	100%	100%
Atlas Traders, LLC *1	USA	Metal recycler	50%	50%
Auto Recycling Real Estate, LLC *1	USA	Metal recycler	50%	50%
Camden Iron & Metal Inc *1	USA	Metal recycler	50%	50%

Notes (continued)

5 Fixed asset investments (continued)

	Country of incorporation	Principal Activity	Percentage of shares held	
			2022	2021
<i><u>Subsidiary undertakings (continued)</u></i>				
Camden Iron & Metal, LLC *1	USA	Metal recycler	50%	50%
Camden Metal Company, Inc *1	USA	Metal recycler	50%	50%
Delco Metals Inc *1	USA	Metal recycler	50%	50%
Eastern Metal Recycling Inc *1	USA	Metal recycler	50%	50%
Eastern Metal Recycling LLC *1	USA	Metal recycler	50%	50%
Eastern Metal Recycling Terminal, LLC *1	USA	Metal recycler	50%	50%
Girard Point Corp *1	USA	Metal recycler	50%	50%
The Auto Store of Egg Harbor LLC *1	USA	Metal recycler	50%	50%
Innovative Recovery Products, LLC *1	USA	Metal recycler	50%	50%
L&L Acquisition Company *1	USA	Metal recycler	50%	50%
L&L Waste Disposal & Metal Recycling Inc. *1	USA	Metal recycler	50%	50%
Preston Terminals Inc *1	USA	Metal recycler	50%	50%
R. Kelly Freedman Holding Group, LLC *1	USA	Holding company	50%	50%
R Fanelle & Sons Inc *13	USA	Metal recycler	50%	50%
Rhino Recycling Inc *1	USA	Metal recycler	50%	50%
SPC Corporation *1	USA	Metal recycler	50%	50%
Tioga Real Estate, LLC *1	USA	Property company	50%	50%
TPE Advanced Recycling LLC *1	USA	Metal recycler	50%	50%
United Compressed Steel Company *1	USA	Metal recycler	50%	50%
Vineland Processing Inc *1	USA	Metal recycler	50%	50%
<i><u>Equity investments</u></i>				
1751 Kenilworth Land, LLC *9	USA	Property company	50%	50%
Allegany Scrap, Inc. *9	USA	Metal recycler	50%	50%
Baltimore Western Marine Terminal LLC *10	USA	Metal recycler	25%	25%
Beaver Heights Associates, LLC *9	USA	Metal recycler	50%	50%
Capitol Heights Metal Recycling Inc *9	USA	Metal recycler	50%	50%
Caroline Lands LLC *9	USA	Property company	50%	50%
Caroline Scrap Metal Inc *9	USA	Metal recycler	50%	50%
Carroll Land LLC *9	USA	Property company	50%	50%
Carroll Scrap Metal Inc *9	USA	Metal recycler	50%	50%
Cohen Recycling, Inc. *11	USA	Metal recycler	25%	25%
CRI Property Co., LLC *9	USA	Property company	25%	25%
Cumberland Land, LLC *9	USA	Property company	50%	50%
David Paul Inv., LLC *9	USA	Holding company	50%	50%
Day Road Land LLC *9	USA	Property company	50%	50%
Deenah, LLC *12	USA	Property company	25%	25%
Delmar Industries, LLC *13	USA	Property company	50%	50%
Dover Scrap Metal Inc *13	USA	Metal recycler	50%	50%
F&K, Inc. *9	USA	Metal recycler	50%	50%
FDR, LLC *9	USA	Property company	50%	50%
Frederick Motor Company, Inc. *9	USA	Metal recycler	50%	50%
Frederick Scrap Inc *9	USA	Metal recycler	50%	50%
Fredericksburg Land LLC *9	USA	Property company	50%	50%
General Auto Parts, Inc. *9	USA	Metal recycler	50%	50%
Halethorpe Farms Land Inc. *14	USA	Property company	50%	50%
Harrisonburg Land, LLC *9	USA	Property company	50%	50%
Hartly Land, LLC *13	USA	Property company	50%	50%
Hayden Auto Service Inc *9	USA	Metal recycler	50%	50%
Henderson Land, LLC *9	USA	Property company	50%	50%
Henderson Scrap Metal Inc *9	USA	Metal recycler	50%	50%
Johnstown Lands LLC *9	USA	Property company	50%	50%

Notes (continued)

5 Fixed asset investments (continued)

	Country of incorporation	Principal Activity	Percentage of shares held	
			2022	2021
<i><u>Equity investments</u> (continued)</i>				
Johnstown Scrap Metal, Inc *9	USA	Metal recycler	50%	50%
Joppa 420, LLC *9	USA	Property company	50%	50%
Joppa 500, LLC *9	USA	Property company	50%	50%
Joppa Auto Salvage, Inc. *9	USA	Metal recycler	50%	50%
Joseph Smith & Sons, Inc. *9	USA	Metal recycler	50%	50%
JS Trucking, Inc.*9	USA	Metal recycler	50%	50%
Kenilworth Recovery Systems, LLC *9	USA	Metal recycler	50%	50%
Kent Land, LLC *13	USA	Property company	50%	50%
Kent Scrap Metal, Inc. *13	USA	Metal recycler	50%	50%
Lands of Shenandoah LLC *9	USA	Property company	50%	50%
Lands of Woodbridge LLC *9	USA	Property company	50%	50%
Lands of Westover, LLC *9	USA	Property company	50%	50%
Lands of Woodbridge LLC *9	USA	Property company	50%	50%
Manassas Land, LLC *9	USA	Property company	50%	50%
Martinsburg Land, LLC *9	USA	Property company	50%	50%
Martinsburg Scrap, LLC *9	USA	Metal recycler	50%	50%
Metal Properties, Inc. *9	USA	Property company	50%	50%
Olive Street Property, LLC *9	USA	Property company	50%	50%
Prince Georges Scrap, Inc. *9	USA	Metal recycler	50%	50%
Prince William Metal Recycling, Inc *9	USA	Metal recycler	50%	50%
R.P. Smith Properties, LLC *9	USA	Property company	50%	50%
Recovermat Mid-Atlantic LLC *9	USA	Metal recycler	50%	50%
Recovermat Technologies, Inc. *9	USA	Metal recycler	50%	50%
Recycling Properties LLC *9	USA	Property company	50%	50%
Ritchie Road Land, LLC *1	USA	Property company	50%	50%
RPM Realty LLC *13	USA	Property company	45%	45%
RPS Land, LLC *13	USA	Property company	50%	50%
RPS Marine, LLC *13	USA	Metal recycler	50%	50%
RPS Mid-Atlantic Marine Terminal, LLC *9	USA	Metal recycler	50%	50%
RPS Realty Holdings LLC *9	USA	Holding company	50%	50%
S Street Land, LLC *9	USA	Property company	50%	50%
Salisbury Scrap Metal Inc *9	USA	Metal recycler	50%	50%
Satellite Services Inc *9	USA	Holding company	50%	50%
Service Bays, LLC *9	USA	Metal recycler	50%	50%
Shenandoah Scrap Metal Inc *9	USA	Metal recycler	50%	50%
Smith Camden Disc Inc *9	USA	Holding company	50%	50%
Smith CRI, LLC *9	USA	Metal recycler	50%	50%
Smith Export Terminal, Inc. *13	USA	Metal recycler	50%	50%
Smith Industries, Inc. *9	USA	Holding company	50%	50%
Smith Railroad Company Inc *9	USA	Transport company	50%	50%
Somerset Scrap Metal, Inc *9	USA	Metal recycler	50%	50%
Springfield Scrap Metal Inc *9	USA	Metal recycler	50%	50%
Sussex Scrap Metal, Inc. *13	USA	Metal recycler	50%	50%
US Electronics Land LLC *9	USA	Property company	25%	25%
US Electronics, LLC *9	USA	Metal recycler	25%	25%
Westernport Land, LLC *9	USA	Property company	50%	50%
Westernport Salvage, Inc. *9	USA	Metal recycler	50%	50%
Westover Scrap Metal Inc *9	USA	Metal recycler	50%	50%
Wicomico Land LLC *9	USA	Property company	50%	50%
Wilmington Metal Recycling Inc *15	USA	Metal recycler	50%	50%
Winchester Land, LLC *9	USA	Property company	50%	50%
Winchester Scrap, Inc *9	USA	Metal recycler	50%	50%
Woodbridge Metal Recycling Inc *9	USA	Metal recycler	50%	50%

Notes (continued)

5 Fixed asset investments (continued)

	Country of incorporation	Principal Activity	Percentage of shares held 2022	2021
<i>Joint ventures</i>				
EMR / Smith Industries LLC *1	USA	Holding company	50%	50%

- *1 registered office: 201 North Front Street, Camden, NJ 08102
 *2 registered office: 2800 Pacific Street, Minneapolis, MN 55411
 *3 registered office: 1803 N 2nd Street, Minneapolis, MN 55411
 *4 registered office: 3636 S. I-10 Service Road W., Suite 101, Metairie, LA 70001
 *5 registered office: 4305 S Lamar Street, Dallas, TX 75215
 *6 registered office: 521 Barge Channel Road, St. Paul, MN 55107
 *7 registered office: 18201 R.L. Ostos Road, Brownsville, TX 78521
 *8 registered office: 8010 Olson Drive, Eau Claire, WI 54703
 *9 registered office: 2001 Kenilworth Avenue, Capitol Heights, MD 20743
 *10 registered office: 920 N. King Street, Floor 2, Wilmington, DE 19801
 *11 registered office: 4551 Tanglewood Drive, Bladensburg, MD 20710
 *12 registered office: 529 Terminal Avenue, New Castle, DE 19720
 *13 registered office: 251 Little Falls Drive, Wilmington, DE 19808
 *14 registered office: 2202 Halesthorpe Farms Road, Baltimore, MD 22102
 *15 registered office: 601 Christiana Avenue, Wilmington, DE 19801

6 Debtors

	2022 \$000	2021 \$000
Amounts due from group undertakings	8,097	9,043
	<u>8,097</u>	<u>9,043</u>

Amounts due from group undertakings are repayable on demand and carry no interest.

7 Called up share capital

	2022 \$000	2021 \$000
<i>Allotted, called up and fully paid</i>		
10,000 (2021: 10,000) Ordinary shares of £1 each	16	16
	<u>16</u>	<u>16</u>

Notes (continued)

8 Share premium and reserves

	Other reserves	Share premium account	Profit and loss account
	\$000	\$000	\$000
Balance at 1 January 2022	13,110	721,544	(19,798)
Loss for the year	-	-	(946)
Balance at 31 December 2022	13,110	721,544	(20,744)

The company is an intermediate holding company hence other reserves arose as a result of transactions associated with these activities.

9 Key accounting estimates and judgements

The Company makes estimates and assumptions concerning the future. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Investments and loans to group undertakings

The most critical estimates, assumptions and judgements relate to the determination of the carrying value of the investments and loans that the Company has made to group undertakings. The nature, facts and circumstances of the investments and loans are taken into account in assessing whether there are any indications of impairment.

10 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.

11 Related party disclosures

There were no further balances with related parties other than those disclosed in note 6.