

AMCO INVESTMENTS LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2019

Company Registration no: 04823706



AMCO INVESTMENTS LIMITED
THE STRATEGIC AND DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors present their report and financial statements for the year ended 31 December 2019.

Principal activities and strategic report

The principal activity of the Company has been and continues to be that of an investment holding company.

Amalgamated Metal Corporation PLC (AMC) is the only investment of AMCO Investments Limited (AMCO) and the profits of the AMC Group (AMC) and its subsidiaries have, accordingly, been included in the Consolidated Income Statement of AMCO for the year ended 31 December 2019. The Group operates through two divisions - AMC Trading and AMC Industrial.

In 2019, the Group performed satisfactorily, recording its 34th consecutive annual profit. Revenue was down 1.6% to £889m (2018: £903m) but pre-tax profit climbed 46% to £17.0m (2018: £11.6m).

Our Trading Division continued to perform strongly although the result was down on prior year. William Rowland had a challenging 2019, remaining profitable but struggling with weak end markets, while significant investments took place across new product categories, improved management systems and a new site to enable future growth. The remaining trading businesses posted profits at good or acceptable levels, especially AMT, which recorded its best year on its 100th anniversary.

The investments made in previous years in our Industrial Division started to bear fruit, despite weakness in global demand. The overall division result was much improved. Our new joint venture recovering metals from ash residue performed very well, recording a significant profit and growing market share to become the UK market leader. We generally saw better efficiencies in our major industrial operations where management focused on margins as volumes declined, at the same time aggressively pursuing those isolated pockets of growth, which did exist in select end markets. Milver returned to profitability against the backdrop of a substantial decrease in demand from the UK automotive sector, and CA Group recorded good results, having worked hard over the past few years to secure a marked increase in global market share for its exports. Our tin smelting facilities in Thailand, which commissioned a new furnace in 2019, require further work in 2020, as they were not profitable once again in 2019. The remaining industrial businesses posted profits at acceptable levels.

Against this backdrop, AMC continued to invest in long-term organic growth initiatives such as technology, processes, research and development, people and equipment. Significant capital expenditure took place during the year at several of our units, particularly in our Industrial Division, as we prepare for the future. Recent economic analysis has demonstrated the need for more investment by Government and business in Northern England. AMC has been contributing to this with investments in four businesses located across the Midlands, the North West and Yorkshire. During the year we invested £8.5 million in our regional UK businesses.

The Group has remained cash generative, with net cash at £69.7 million and equity of £199.6 million keeping the AMCO Group in a very strong financial position.

With a number of businesses located in the UK, the Board monitored very closely throughout the year the developments and uncertainties which arose from the UK's negotiations for its exit from the European Union. Our analysis does however indicate that our aggregated exposure to increased duties and other related risks is manageable regardless of outcome, and only very select product lines would become untenable in the event of WTO terms, while other opportunities may arise. In part, this is due to the geographically diverse nature of the Group's activities and customer base.

Results and dividends

The profit for the financial year attributable to owners of the Parent Company amounted to £11,882,000 (2018: £7,139,000). On the 6th February 2020, the Directors resolved to pay an interim dividend of £2,826,000 (£30 per share), in respect of the year ended 31st December 2019.

No final dividend on the ordinary shares is recommended (2018: nil).

AMCO INVESTMENTS LIMITED

THE STRATEGIC AND DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (Continued)

Financial instruments: Risk and risk management

The Group's risk and risk management policies and procedures are dealt with in note 28 to the financial statements.

The outbreak of Coronavirus is the dominant global issue in early 2020 and has led to both a public health and an economic crisis. This is anticipated to have adverse consequences for our results and performance in 2020.

We expect the economic crisis will lead to lower demand for metals across the globe, and we will be entering a period where particular focus on credit will be required. For our Industrial Division, self-isolation of symptomatic individuals and those living with symptomatic individuals, or government-mandated lockdowns, may reduce our production capacity. We can expect supply chain interruptions that may cause shortages of raw materials, while our customer base may be operating at reduced capacity. Our Trading Division expects to see decreased demand from customers. Our appetite to take large volumes of new business is heavily dependent on the economic situation and the risk protections and rewards available, and may reduce. We do however anticipate a continued demand for hedging services as industry seeks to protect itself against volatility in the metal markets.

Our liquidity position and our robust liquidity management framework benefits us in these times, providing the Group with resilience against economic turbulence and the agility to react to developments as they arise. The significant investments in technology and remote working capability that we have made in 2019 has given the London based trading businesses remote working capability which enables them to continue operating during the Coronavirus storm.

Statement by the Directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The Board of Directors of AMCO Investments Limited consider that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006) in the decisions taken during the year ended 31 December 2019.

Our People

People are a key factor for our business to succeed. We are proud of the average length of service of our employees. We intend to retain people for the long term and our recruitment strategy is based on offering long, sometimes lifetime, careers in fairly paid and stable jobs. In our UK operations, we avoid "zero hour contracts" and where possible we seek to recruit locally. We encourage our employees to have both fulfilling careers and balanced lives. We look to our employees to contribute ideas for our future growth, and share the rewards of the business where we are profitable, primarily through discretionary annual bonus schemes. Annually AMC PLC publishes its annual reports on its intranet and corporate website and we actively encourage its review by all employees.

Business Relationships

We value long term relationships with our suppliers and customers and many of our relationships span years and some span decades. We employ robust "know your customer" and "know your supplier" processes across our operations, and we are typically cautious when entering into new relationships.

Community, Environment and Reputation

We believe that a positive and strong culture is the best way to ensure a high level of professional conduct when it comes to health and safety, environment, regulations or business dealings. Further details are available in our Business Standards Policy, which can be obtained from AMC PLC's website.

We promote a culture of safety, particularly for the staff in our Industrial Division who are working with the significant risks associated with hot metal and moving vehicles. Monthly meetings across units in our industrial division always start with a review of that unit's health and safety record and the message remains that the safety of our staff comes first.

We encourage strong and open relationships with environmental regulators wherever we operate.

The Group's policy is to operate in a supply chain that is free from Conflict Minerals. Further details on this policy can be accessed on AMC PLC's website.

The Financial Conduct Authority (FCA) regulates our AMT and AMTF businesses. We maintain positive and open relationships with our regulators based on cooperation and responsible behaviour, and we conduct regular compliance training for our regulated staff.

AMCO INVESTMENTS LIMITED

THE STRATEGIC AND DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (Continued)

Capital allocation and long-term decisions

At least on an annual basis the Board reviews the financial budgets, resource plans and investment decisions for the Group. In making decisions concerning the business plan and future strategy, the Board has regard to a variety of matters including the interests of stakeholders, long term consequences of our capital allocation (such expenditure needed to ensure our long term viability whilst maintaining adequate liquidity) and reputation.

Key decisions on capital allocation and developments in the financial year are detailed in this Strategic Report. Decisions on the level of dividend take into account the general profitability, liquidity and funding needs of the Group and Company.

Directors

The following Directors served throughout the year:

Mr V H Sher
Mr G C L Rowan
Mr G P Robbins
Mr D S Sher

Directors' responsibilities for the financial statements

The Directors are responsible for preparing the Strategic and Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. 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 Group and Company and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Group's business activities and performance are set out in the business review above. Its financial position and cash flows are also reviewed above. In addition, note 28 to the financial statements, Financial Instruments, includes the Group's objectives, policies and processes for risk management, including its exposures to credit risk and liquidity risk, and maintenance of its capital.

The Group has considerable financial resources and, as a consequence, the Directors believe that the Group is well placed to manage its business risks successfully. The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for more than 12 months after signing the financial statements and accordingly they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

AMCO INVESTMENTS LIMITED

THE STRATEGIC AND DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (Continued)

Properties

The Directors are satisfied that the market value of freehold property assets is in line with the amount at which they are included in the balance sheet.

Matters of strategic importance

The Group's business activities, key performance indicators and financial position have been included separately in the Strategic Report in accordance with section 414C (11) of the Companies Act 2006 and the s172(1) statement within this report.

Employee involvement

Refer to the s172(1) Statement on page 2.

Employment of disabled persons

Group companies give full and fair consideration to applications for employment from disabled persons. Depending on their skills and abilities, the disabled have the same opportunities for promotion and career prospects as other employees. We also make provisions and adapt working environments, where appropriate and reasonable, for those employees who have become disabled during the period they were employed by the Company.

Auditors

The Company's previous auditors, BDO LLP, resigned on 10 October 2019. The notice of resignation included a statement that there were no circumstances connected with their resignation which should be brought to the attention of the members or creditors of the Company. RSM UK Audit LLP were appointed auditors to fill the casual vacancy in accordance with Section 489 of the Companies Act 2006. Further, in accordance with Section 485 of the Companies Act 2006, a resolution proposing that RSM UK Audit LLP be reappointed will be put to the members at the upcoming annual general meeting.

The Directors have taken all reasonable steps to acquaint themselves with any relevant audit information and have ensured that the auditors have received such information. The Directors are not aware of any relevant audit information that has not been passed to the auditors.

Directors' liability insurance and indemnity

The Group has arranged insurance cover in respect of legal action against its Directors. To the extent permitted by UK law, the Group also indemnifies the Directors. These provisions were in force throughout the year and in force at the date of this report.

Events after the reporting period

On 12 February 2020 the Group acquired the entire share capital of E. F. Westaway Limited ('Westaway'). Westaway offer a range of chemical finishing processes for exotic metal components including pickling, etching, passivation and ceramic core removal. Further details are included in note 27 to the financial statements.

On 29 January 2020 the Company purchased and cancelled 100 Ordinary A shares from one shareholder at a cost of £50,000.

By Order of the Board



H. Michie
Company Secretary

55 Bishopsgate
London
EC2N 3AH

20 April 2020

AMCO INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AMCO INVESTMENTS LIMITED

We have audited the financial statements of AMCO Investments Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2019 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement, Company Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Parent Company's affairs as at 31 December 2019 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

AMCO INVESTMENTS LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AMCO INVESTMENTS LIMITED (Continued)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic and Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities 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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

AMCO INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AMCO INVESTMENTS LIMITED (Continued)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Paul Watts
Senior Statutory Auditor

For and on behalf of RSM UK Audit LLP,
Statutory Auditor Chartered Accountants

25 Farringdon St, London EC4A 4AB

Date: 20 April 2020

RSM UK Audit LLP is a limited liability partnership registered in England and Wales (with registered number OC325350).

AMCO INVESTMENTS LIMITED
CONSOLIDATED INCOME STATEMENT
YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £'000	2018 £'000
Turnover	4	888,816	903,430
Change in stocks of finished goods and work in progress		(13,191)	9,172
Profit on sale of tangible assets		95	264
Other operating income		1,141	935
Total operating income		876,861	913,801
 Operating costs	5	(858,181)	(899,314)
Gain from change in fair value of investment property		15	-
Profit / (loss) from participating interests	14	639	(231)
Operating profit		19,334	14,256
 Net interest expense	8	(980)	(1,527)
Changes in fair value of fixed asset investments	14	(138)	(111)
Other finance costs	9	(1,259)	(1,000)
 Profit on ordinary activities before taxation		16,957	11,618
 Tax on profit on ordinary activities	10	(3,536)	(2,349)
 Profit for the financial year		13,421	9,269
 Profit attributable to:			
Owners of the Parent		11,882	7,139
Non-controlling interest		1,539	2,130
		13,421	9,269

All activities of the Group are continuing.
The notes on pages 16 to 36 form part of these financial statements.

AMCO INVESTMENTS LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £'000	2018 £'000
Profit for the financial year		13,421	9,269
Other comprehensive income			
Foreign exchange:			
Currency translation differences		(3,031)	4,196
Gains on cash flow hedge		102	137
		(2,929)	4,333
Actuarial gains/ (losses) on defined benefit pension scheme	23 (e)	2,873	(4,929)
Taxation in respect of other comprehensive income	10	85	861
Other comprehensive income for the year		29	265
Total comprehensive income for the year		13,450	9,534
Total comprehensive income for the year attributable to:			
Owners of the Parent		12,124	6,154
Non-controlling interests		1,326	3,380
		13,450	9,534

The notes on pages 16 to 36 form part of these financial statements.

AMCO INVESTMENTS LIMITED
CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2019

	Notes	2019 £'000	2018 £'000
Fixed assets			
Intangible assets	12	1,148	1,234
Tangible assets	13	26,325	19,004
Investments	14	3,469	3,061
		<u>30,942</u>	<u>23,299</u>
Current assets			
Stocks	15	125,196	164,629
Debtors	16	126,079	131,117
Cash at bank and in hand	22	98,886	88,974
		<u>350,161</u>	<u>384,720</u>
		<u>381,103</u>	<u>408,019</u>
Capital and reserves			
Called up share capital	17	94	94
Capital redemption reserve		2	2
Revaluation reserve		4,282	4,575
Profit and loss account		185,430	169,979
Equity attributable to the owners of the Parent Company		<u>189,808</u>	<u>174,650</u>
Non-controlling interests		9,802	19,967
Total equity		<u>199,610</u>	<u>194,617</u>
Provisions for liabilities	18	<u>667</u>	<u>487</u>
Creditors			
Amounts falling due within one year			
Bank loans and overdrafts	22	29,218	62,118
Other creditors	20	109,850	104,933
		<u>139,068</u>	<u>167,051</u>
Equity and liabilities excluding pension liability		339,345	362,155
Defined benefit pension liability	23	<u>41,758</u>	<u>45,864</u>
		<u>381,103</u>	<u>408,019</u>

The notes on pages 16 to 36 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 20 April 2020.


V H Sher


DS Sher

AMCO INVESTMENTS LIMITED
COMPANY BALANCE SHEET
AT 31 DECEMBER 2019

	Notes	2019 £'000	2018 £'000
Fixed assets			
Investment in subsidiary	14	62,026	62,026
		<u>62,026</u>	<u>62,026</u>
Current assets			
Debtors	16	82	83
Cash at bank and in hand		3,118	3,108
		<u>3,200</u>	<u>3,191</u>
		<u>65,226</u>	<u>65,217</u>
Capital and reserves			
Called up share capital	17	94	94
Capital redemption reserve		2	2
Profit and loss account		65,110	65,111
Total equity		<u>65,206</u>	<u>65,207</u>
Creditors			
Amounts falling due within one year			
Other Creditors	20	20	10
		<u>65,226</u>	<u>65,217</u>

The notes on pages 16 to 36 form part of these financial statements.

Company registered in England: number 04823706.

As permitted by Section 408 of the Companies Act 2006, the statement of comprehensive income of the Parent Company is not included with these financial statements. The profit before dividends payable for the year ended 31 December 2019 in the accounts of the Parent Company is £2,828,000, including dividends received of £2,829,000 from its subsidiary, Amalgamated Metal Corporation PLC (2018: profit of £3,099,000; dividend received of £3,100,000).


H Sher


DS Sher

AMCO INVESTMENTS LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2019

	Share capital £'000	Capital redemption reserve £'000	Revaluation reserve £'000	Profit and loss account £'000	Total attributable to owners of the Parent £'000	Non- controlling interests £'000	Total equity £'000
At 1 January 2019	94	2	4,575	169,979	174,650	19,967	194,617
Profit for the year	-	-	(123)	12,005	11,882	1,539	13,421
Foreign exchange:							
Currency translation differences	-	-	(79)	(2,635)	(2,714)	(317)	(3,031)
Gains on cash flow hedge	-	-	-	102	102	-	102
Actuarial gains on defined benefit pension schemes	-	-	(79)	(2,533)	(2,612)	(317)	(2,929)
Taxation in respect of other comprehensive income	-	-	-	(19)	(19)	104	85
Other comprehensive income for the year	-	-	(79)	321	242	(213)	29
Total comprehensive income for the year	-	-	(202)	12,326	12,124	1,326	13,450
Increase in parent holding in Sansing	-	-	-	26	26	(23)	3
Increase in parent holding in Thaisarco*	-	-	(91)	5,928	5,837	(5,837)	-
Contributions by and distributions to owners							
Dividends (note 11)	-	-	-	(2,829)	(2,829)	(4,229)	(7,058)
Capital redemption - Sansing (note 11)	-	-	-	-	-	(1,402)	(1,402)
At 31 December 2019	94	2	4,282	185,430	189,808	9,802	199,610

*On 20 November 2019 the Group acquired the remaining minority interest in Thaisarco from a variety of legacy investors. The purchase price was £4.5m. The transaction was accounted for as an equity transaction in accordance with FRS102 and the related non-controlling interest was reduced to zero.

	Share capital £'000	Capital redemption reserve £'000	Revaluation reserve £'000	Profit and loss account £'000	Total attributable to owners of the parent £'000	Non- controlling interests £'000	Total equity £'000
At 1 January 2018	94	2	4,594	166,094	170,784	21,289	192,073
Profit for the year	-	-	-	7,139	7,139	2,130	9,269
Foreign exchange:							
Currency translation differences	-	-	(19)	2,976	2,957	1,239	4,196
Gains on cash flow hedge	-	-	-	137	137	-	137
Actuarial (losses) on defined benefit pension schemes	-	-	(19)	3,113	3,094	1,239	4,333
Taxation in respect of other comprehensive income	-	-	-	850	850	11	861
Other comprehensive income for the year	-	-	(19)	(966)	(985)	1,250	265
Total comprehensive income for the year	-	-	(19)	6,173	6,154	3,380	9,534
Increase in parent holding in Escoy	-	-	-	2	2	(2)	-
Increase in parent holding in Sansing	-	-	-	68	68	(4,068)	(4,000)
Contributions by and distributions to owners							
Dividends (note 11)	-	-	-	(2,358)	(2,358)	(632)	(2,990)
At 31 December 2018	94	2	4,575	169,979	174,650	19,967	194,617

The revaluation reserve is attributable to the following categories of asset, including deferred tax where appropriate:

	2019 £'000	2018 £'000
Investment properties	303	288
Other freehold properties	3,020	3,085
Fixed asset investments	959	1,202
	<u>4,282</u>	<u>4,575</u>

The notes on pages 16 to 36 form part of these financial statements.

AMCO INVESTMENTS LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2019

	Share capital £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total attributable to owners of the parent £'000
At 1 January 2019	94	2	65,111	65,207
Profit for the year	-	-	2,828	2,828
Dividends	-	-	(2,829)	(2,829)
At 31 December 2019	94	2	65,110	65,206

	Share capital £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total attributable to owners of the parent £'000
At 1 January 2018	94	2	64,370	64,466
Profit for the year	-	-	3,099	3,099
Dividends	-	-	(2,358)	(2,358)
At 31 December 2018	94	2	65,111	65,207

The notes on pages 16 to 36 form part of these financial statements.

AMCO INVESTMENTS LIMITED
CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £'000	2018 £'000
Cash flows from operating activities			
Cash inflow / (outflow) from operations	21	58,389	30,713
Interest received		1,115	941
Interest paid		(2,152)	(2,365)
Tax paid		(2,272)	(2,884)
Net cash generated from/ (used in) operating activities		55,080	26,405
Cash flows from investing activities			
Receipts from sale of tangible fixed assets		301	174
Payments for tangible fixed assets		(9,712)	(3,519)
Investment in associate - HP Metals		(78)	-
Net cash (used in) investing activities		(9,489)	(3,345)
Cash flows from financing activities			
(Decrease) / increase in bank borrowings		(22,169)	2,884
Payments for shares in Escoy		(11)	-
Payment for shares in Sansing		-	(4,000)
Ordinary dividends paid	11	(2,829)	(2,358)
Dividends/ capital redemption paid to non-controlling interests		(1,532)	(632)
Net cash (used in)/ from financing activities		(26,541)	(4,106)
Net increase/ (decrease) in cash and cash equivalents		19,050	18,954
Exchange differences		699	(510)
Cash and cash equivalents brought forward		57,912	39,468
Cash and cash equivalents carried forward		77,661	57,912
Reconciliation of net increase in cash and cash equivalents to movement in net funds			
	22		
Net increase/ (decrease) in cash and cash equivalents		19,050	18,954
Movements in other borrowings		22,169	(2,884)
Exchange differences		1,593	(1,766)
Movement		42,812	14,304
Net funds brought forward		26,856	12,552
Net funds carried forward		69,668	26,856

The notes on pages 16 to 36 form part of these financial statements.

AMCO INVESTMENTS LIMITED
COMPANY CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £'000	2018 £'000
Cash flows from operating activities			
Cash (outflow) / inflow from operations	21	(1)	2,351
Interest received		11	7
Tax received/ (paid)		-	2
Net cash generated from/ (used in) operating activities		<u>10</u>	<u>2,360</u>
Cash flows from financing activities			
Ordinary dividends received		2,829	3,100
Ordinary dividends paid		<u>(2,829)</u>	<u>(2,358)</u>
		<u>-</u>	<u>742</u>
Net increase / (decrease) in cash and cash equivalents		10	3,102
Cash and cash equivalents brought forward		<u>3,108</u>	<u>6</u>
Cash and cash equivalents carried forward		<u>3,118</u>	<u>3,108</u>

The notes on pages 16 to 36 form part of these financial statements.

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2019

1. General information

The AMCO Group (the "Group"), comprises AMCO Investments Ltd (the 'Company') and its subsidiaries, a private Company incorporated in England and Wales registration number 04823706 and is limited by shares. The registered office is 55 Bishopsgate, London EC2N 3AH.

2. Basis of preparation and consolidation

The Directors have concluded that the financial statements give a true and fair view of the Group's financial position, financial performance and cash flows, and that the Group has complied with FRS 102, except that it has departed from FRS 102 11.38A to the extent necessary to give a true and fair view by offsetting overnight currency borrowings due for settlement on the next day against the GBP cash balance held with the same institution. Further details are provided in Note 22 of this Annual Report. A summary of the principal Group accounting policies under FRS 102 is given below.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the Group management to exercise judgement in applying the Group's accounting policies.

Except as set out in notes 2d, f, g, i, j, and n below, the Group consolidated financial statements are drawn up on the historical cost basis. They incorporate the financial statements for the year ended 31 December 2019 of the Company and all its subsidiary undertakings.

Going concern

The Board has carefully considered those factors likely to affect the Group's future development, performance and financial position in relation to the ability of the Group to continue as a going concern. As explained more fully in the Strategic Report on page 2, the outbreak of Coronavirus may have negative consequences for our results and performance in 2020, however mitigating actions have been put in place. The Group has considerable financial resources (net cash position of £69.7 million at 31 December 2019 and undrawn facilities) and a robust liquidity management framework. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully and have a reasonable expectation that the Group has adequate resources to continue in operational existence for more than 12 months after signing the financial statements. For these reasons, the Directors continue to adopt the going concern basis in preparing the Group's financial statements.

a) Basis of consolidation

The results of subsidiary undertakings and businesses acquired or disposed of during the year are included in the consolidated statement of comprehensive income from their dates of acquisition or up to their dates of disposal.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquired subsidiary's identifiable assets and liabilities are initially recognised at their fair value at the acquisition date. Any excess of the cost of a business acquired over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition is goodwill.

Goodwill is included in intangible fixed assets at cost less accumulated amortisation and any accumulated impairment losses. Goodwill is amortised using the straight line method over its estimated useful life. If a reliable estimate cannot be made, the maximum presumed useful life is ten years. Goodwill is being amortised over periods ranging from five to twenty years.

The Group accounts for its interests in its associated companies using the equity method of accounting.

The net assets and total comprehensive income of non-wholly owned subsidiaries are attributed to owners of the Parent Company and to non-controlling interests in proportion to their relative ownership interests.

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

b) Exchange differences

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in sterling, which is the Company's functional and the Group's presentation currency.

On consolidation, profits and losses and other transactions in the year in the financial statements of subsidiary undertakings expressed in foreign currencies are translated into sterling at average rates of exchange for the year, which are a reasonable approximation for the exchange rates at the dates of the transactions. Assets and liabilities are translated into sterling at the rates of exchange ruling on the balance sheet date. Exchange translation differences arising on consolidation net of the results of related foreign exchange transactions, which are themselves valued at forward exchange rates ruling at the balance sheet date, are recognised in other comprehensive income.

Exchange differences arising from trading operations and from conversion of short-term currency balances are included in operating profit.

c) Subsidiary undertakings

In the separate balance sheet of AMCO Investments Ltd, subsidiary undertakings are stated at cost, less provisions for impairment if required.

d) Tangible fixed assets

As permitted under the rules for transition to FRS 102, the Group has elected to use the former UK GAAP revaluation of freehold properties (excluding investment properties, note below), as the deemed cost of such properties. These properties are stated at deemed cost plus the historical cost of subsequent additions and less subsequent accumulated depreciation and any subsequent impairment losses.

Investment properties are measured at fair value at each balance sheet date. No depreciation is provided. Changes in fair value are included in the income statement. The Group has elected to transfer accumulated gains to the revaluation reserve.

Other tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

The historical cost of an asset includes its purchase price and expenditure that is directly attributable to the acquisition of that asset, and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. Borrowing costs are not capitalised.

Under certain circumstances, when subsequent expenditure improves a fixed asset, such expenditure is capitalised. These circumstances are when the expenditure enhances the asset (for instance by extending its useful life or increasing its capacity), or when it replaces a component of an asset that has been treated separately for depreciation, for instance as part of an overhaul when the replaced part is derecognised. Repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

Assets are depreciated over their estimated useful lives using the straight line method at rates appropriate to the types of assets. The following annual rates are used:

Land	nil
Buildings	2%
Long leaseholds	2%
Short leaseholds	according to life of lease
Plant and machinery, fixtures, fittings, tools and equipment	5% - 33%

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

e) Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash generating unit ("CGU") to which the asset has been allocated), is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

f) Stocks

Stocks, including work-in-progress, and other than those stocks held by certain trading operations (below), are stated at the lower of cost and net realisable value. Cost comprises costs of purchase and appropriate overheads, and is calculated using specific cost, first-in, first-out ("FIFO") or weighted average cost as appropriate to the business. Net realisable value is the estimated selling price less costs to complete and sell.

At each balance sheet date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised in profit or loss.

Stocks held by certain trading operations are stated at fair value (determined with reference to prevailing market prices at the balance sheet date) less costs to sell with any changes recognised in the income statement.

g) Financial assets and liabilities

Financial assets include cash at bank and in hand, trade and other debtors, fixed asset investments and derivative financial instruments. Financial liabilities include bank loans and overdrafts, trade and other creditors and derivative financial instruments. The derivative financial instruments of most significance to the Group are London Metal Exchange ("LME") forward contracts and foreign exchange contracts.

Derivatives are carried on the balance sheet at fair value, with gains or losses recognised in the income statement unless the derivatives are designated and qualify for hedge accounting.

The fair value changes on the effective portion of derivatives which are designated and qualify for hedge accounting are included in other comprehensive income and transferred to the income statement when the hedged transaction is realised. The fair value changes on the ineffective portion are recognised immediately in the income statement.

Other than amounts relating to derivatives, trade and other debtors are initially recognised at the transaction amounts, and subsequently they are measured at amortised cost. Due to the short term nature of trade and other debtors, amortised cost equate to transaction amount less any allowance required for irrecoverable debts.

Other than amounts relating to derivatives, trade and other creditors are initially and subsequently recognised at the transaction amounts, which equates to amortised cost.

Other than investments in associated companies, fixed asset investments whose fair value can be measured reliably, are measured at fair value. Changes in fair value are recognised in profit or loss. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable data where it is available. Other fixed asset investments are measured at cost less impairment.

LME forward contracts are valued at closing prices quoted by the London Metal Exchange and foreign exchange contracts are valued at the market rates prevailing at the close of business on the balance sheet date.

In the consolidated cash flow statement, cash and cash equivalents comprise cash in hand, demand deposits and short term deposits with banks and similar institutions with original maturities of three months or less that are subject to an insignificant risk of changes in value, less bank overdrafts repayable on demand.

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

h) Dividends

Dividends are recognised when they become legally payable. Interim dividends are recognised when paid. Final dividends are recognised when approved by the shareholders at an annual general meeting.

i) Terminal market contracts: Amalgamated Metal Trading Ltd

Forward terminal market contracts are valued at the relevant forward prices ruling at the balance sheet date. The profits and losses arising from this valuation are included in the income statement. Each client's balance comprises the net of one or both of this valuation and a realised element, and this net amount is reported in the balance sheet within trade debtors or trade creditors as appropriate. In addition, adjustments are made to reflect the market conditions prevailing at the balance sheet date and these are included in the income statement.

j) Trading in commodity metals

The overall position in each metal is valued at the prevailing market price and differences arising are included in the income statement, and within debtors or creditors as appropriate, with due allowance made for the costs of completing contracts.

k) Provisions

Provisions are recognised when at the balance sheet date there is a legal or constructive obligation, as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate of the obligation can be made.

l) Leased assets

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Group. Such assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor.

All other leases are classified as operating leases. Hire and rental charges under operating leases are charged to the income statement on a straight line basis over the term of the lease.

m) Current and deferred taxation

The tax expense for the period comprises current tax and deferred tax. Tax is recognised in profit or loss, except that tax attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is itself recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where Group companies operate and generate taxable income.

Deferred tax is recognised on all timing differences that have originated but not reversed at the rates substantially enacted by the balance sheet date except that:

- Deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Deferred tax balances are reversed if and when all conditions for obtaining associated tax allowances have been met.

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

n) Pensions and retirement benefits

The Group maintains both defined benefit and defined contribution schemes for Group employees. Contributions are made to these schemes in accordance with actuarial advice. The assets of the defined benefit scheme are held separately from those of Group companies.

The net defined benefit liability or asset of a scheme is the difference between its defined benefit obligation and the fair value of the scheme's assets. The defined benefit obligation is the present value of expected future payments required to settle the scheme's obligation resulting from employee service in the current and prior periods, and is measured using a projected unit method and discounted at the current rates of return on high quality corporate bonds of equivalent currency and term to the scheme's obligation. The movements in the defined benefit liability or asset are split between those in the income statement, and those in the statement of other comprehensive income.

o) Revenue

Revenue is reported as turnover, which represents sales as principal to customers and clients outside the Group. Turnover is recognised when the significant risks and rewards of ownership have passed to the buyer, and it is probable that the Group will receive the previously agreed consideration. Generally this occurs at the point of agreed delivery to the buyer. In the case of futures brokerage transactions, turnover represents net commission earned plus, where applicable, the net result of the market making activities.

(p) Associates and jointly controlled interests

In the Group financial statements, investments in associates are accounted for using the equity method. Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the Group's share of profit or loss of the associate.

(q) Equity reserves

The revaluation reserve represents the cumulative effect of revaluations of freehold land and buildings, investment properties and fixed asset investments which are revalued to fair value at each reporting date.

3. Critical accounting judgements and key sources of estimation uncertainty

In preparing financial statements, the Group makes estimates and assumptions that affect the application of accounting policies and reported amounts. Actual results may differ from these estimates, and the differences arising may cause material adjustments to the carrying value of assets and liabilities in the next financial year. Estimates and assumptions that have a significant risk of causing such a material adjustment in the next financial year are addressed below.

Pensions and retirement benefits

The present value of defined benefit pension scheme obligations (notes 2(n) and 23) is sensitive to changes in a number of actuarial assumptions at the balance sheet date that are set out in note 23. Any changes in such assumptions will impact the carrying amount of these obligations that are included in both the Consolidated and Company balance sheets at £187,363,000 (2018: £179,871,000).

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

4. Turnover

	The Group	
	2019	2018
	£'000	£'000
Analysis by class of business	626,257	634,608
AMC Trading	262,559	268,822
AMC Industrial	888,816	903,430
Analysis by country of destination		
UK and Continental Europe	276,773	314,500
Far East and Australasia	504,420	459,876
Other	107,623	129,054
	888,816	903,430
Analysis by category of revenue		
Goods	858,571	875,942
Services	12,287	12,437
Commission	10,467	11,881
Other	7,491	3,170
	888,816	903,430

5. Operating costs

	The Group	
	2019	2018
	£'000	£'000
Raw materials, consumables and goods for resale	794,876	831,791
Other external charges	21,389	21,960
Staff costs:		
– Wages and salaries	25,787	23,476
– Social security costs	1,461	1,367
– Pension costs: defined benefit schemes (note 23(d))	658	2,227
– Pension costs: defined contribution schemes	1,222	955
– Other pension costs	227	194
Amortisation of goodwill (note 12)	32	35
Depreciation of tangible fixed assets (note 13)	2,168	1,920
Audit fees payable:		
– To the Company's auditor for the audit of the Company and consolidated accounts	7	5
– To the Company's auditor and its associates for the audit of the Company's subsidiaries	359	409
– To the Company's auditor and its associates for non-audit services:		
– Audit related	15	10
– Tax	3	9
United Kingdom charitable donations	3	7
Hire and rental charges under operating leases	1,687	2,040
Other operating charges	8,287	12,909
Total operating costs	858,181	899,314

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

6. Emoluments of Directors

	The Group		The Company	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Payments to Directors:				
Aggregate emoluments	837	742	-	-

One Director (2018: one) accrued benefits under the Group's defined contribution pension scheme.

	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Highest paid Director:				
Aggregate emoluments	448	355	-	-

The key management personnel are considered to be the Directors of the Company.

7. Employees

	The Group	
	2019	2018
	Number	Number
The average weekly number of persons employed during the year was:		
AMC Trading	133	133
AMC Industrial	531	490
Central	26	26
	690	649

8. Net interest expense

	The Group	
	2019	2018
	£'000	£'000
Interest receivable	1,151	929
Interest payable:		
Bank loans and overdrafts repayable within five years	(2,131)	(2,456)
	(980)	(1,527)

9. Other finance costs

	The Group	
	2019	2018
	£'000	£'000
Net interest on net defined benefit pension liability (note 23 (d))	(1,259)	(1,000)

10. Tax on profit on ordinary activities

	The Group	
	2019	2018
	£'000	£'000
Current tax:		
UK corporation tax	1,748	1,485
Overseas tax	1,481	1,647
Total current tax	3,229	3,132
Deferred tax (note 19)	307	(783)
Tax on profit on ordinary activities	3,536	2,349

The tax assessed for the year is higher (2018: higher) than the standard rate of tax noted below applied to profit before tax.
The differences are explained below.

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

10. Tax on profit on ordinary activities (continued)

	The Group	
	2019	2018
	£'000	£'000
Profit on ordinary activities before tax	16,957	11,618
Tax on profit on ordinary activities at the standard rate of 20.7% (2018: 20.2%)	3,514	2,348
Effects of:		
Permanently disallowed items	128	89
Withholding taxes	52	50
Losses not recognised for deferred tax	-	4
Adjustments to prior period charges	(93)	(95)
Sundry	(65)	(47)
Total tax charge for the year	3,536	2,349

The standard rate of tax is the average of the statutory rates applicable to Group companies, weighted by pre-tax profits for the year.

The aggregate of current and deferred tax relating to items recognised in other comprehensive income is a credit of £85,000 (2018: credit of £861,000).

11. Dividends

	2019	2018
	£'000	£'000
Interim dividend : 2019 £30 per share (2018: £25 per share)	2,829	2,358
To non-controlling interests	4,229	632
	7,058	2,990

Additionally, during the year Sansing has returned a proportion of its issued share capital to shareholders, resulting in a redemption of £1,402,000 to non-controlling interests.

12. Intangible fixed assets

	Goodwill	Negative goodwill	Total
The Group	£'000	£'000	£'000
Cost:			
At 1 January 2019	2,266	(580)	1,686
Exchange	(84)	3	(81)
Arising in the year			-
At 31 December 2019	2,182	(577)	1,605
Amortisation:			
At 1 January 2019	762	(310)	452
Exchange	(28)	1	(27)
Charge for year	96	(64)	32
At 31 December 2019	830	(373)	457
Net book amount: at 31 December 2019	1,352	(204)	1,148
Net book amount: at 31 December 2018	1,504	(270)	1,234

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

13. Tangible fixed assets

The Group	Land and buildings				Plant and machinery	Fixtures, & fittings, tools and equipment	Assets in the course of construction	Total
	Investment property	Other freehold	Long leasehold	Short leasehold				
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation:								
At 1 January 2019	335	11,420	607	1,383	23,308	6,231	301	43,585
Exchange	-	(57)	-	-	361	(17)	-	287
Additions	-	860	-	-	2,623	516	5,578	9,577
Revaluation	-	15	-	-	-	-	-	15
Transfers between categories	2	-	-	-	(37)	243	(208)	-
Disposals	-	-	-	-	(1,113)	(91)	-	(1,204)
At 31 December 2019	337	12,238	607	1,383	25,142	6,882	5,671	52,260
Depreciation:								
At 1 January 2019	-	2,542	253	396	16,447	4,943	-	24,581
Exchange	-	44	-	-	277	(8)	-	313
Charge for the year	-	147	12	63	1,489	457	-	2,168
Transfers between categories	-	-	-	-	(8)	8	-	-
Disposals	-	-	-	-	(1,039)	(88)	-	(1,127)
At 31 December 2019	-	2,733	265	459	17,166	5,312	-	25,935
Net book amount:								
at 31 December 2019	337	9,505	342	924	7,976	1,570	5,671	26,325
Net book amount:								
at 31 December 2018	335	8,878	354	987	6,861	1,288	301	19,004

The depreciated historical cost net book amounts of investment property and other freehold land and buildings are:

	2019	2019	2018	2018
	Investment property	Other freehold land and buildings	Investment property	Other freehold land and buildings
	£'000	£'000	£'000	£'000
Cost	50	10,200	50	9,349
Accumulated depreciation	(12)	(3,834)	(12)	(3,683)
	38	6,366	38	5,666

Borrowings are secured on tangible fixed assets with a carrying amount of £Nil (2018: £1,924,000).

Investment property

Investment properties, which are all freehold, were revalued to fair value at 31 December 2019 based on a valuation undertaken by Avison Young, an independent valuer with recent experience in the class and location of the investment property being valued. The valuations were undertaken using the comparable and investment methods of valuation in accordance with RICS Valuation – Global Standards 017. The markets for the individual units were investigated; rental and sales evidence were collated and adjusted to take account of the situation, layout and specification of the individual properties.

	The Group	
	2019	2018
	£'000	£'000
Capital commitments:		
Amounts contracted	1,373	681

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

14. Fixed asset investments

Associated companies:

Shares in Alloys Metals and Ceramics Holdings (Pty) Ltd
 Shares in The British Metal Corporation (India) Private Ltd
 Shares in Scanmetals (UK) Ltd

Other investments:

LME Holdings Ltd "B" shares
 Kasbah Resources Ltd

The Group	
2019	2018
£'000	£'000
705	608
346	331
593	167
1,644	1,106
1,800	1,800
25	155
3,469	3,061

The carrying value of the Group's investments in associates contains the following movements:

The Group	
2019	2018
£'000	£'000
1,106	1,313
76	-
-	47
(149)	44
639	(231)
(28)	(67)
1,644	1,106

The Group controls 50% of Alloys Metals and Ceramics Holdings (Pty) Ltd, a South African Company, 40% of The British Metal Corporation (India) Private Ltd and 33.3% of Scanmetals (UK) Ltd. These investments are accounted for using the equity method of accounting.

Other investments:

The LME Holdings Ltd 'B' shares are level '3' assets in the fair value hierarchy set out in FRS 102, and are recognised at £72 per share (2018: £72). This valuation includes assumptions based on non-observable market data. The Directors do not consider that there are reasonable possible alternative assumptions that could be applied in the valuation.

The investment in Kasbah Resources Ltd is measured at fair value, being its quoted price on the Australian Securities Exchange at the balance sheet date. Changes in fair value are recognised in the income statement. There was a loss of £138,000 (2018: loss £111,000).

Subsidiaries and operating units are listed on pages 35 and 36.

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

14. Fixed asset investments (continued)

	The Company	
	2019	2018
	£'000	£'000
Shares in Amalgamated Metal Corporation PLC	62,026	62,026

15. Stocks

	The Group	
	2019	2018
	£'000	£'000
Raw materials and consumables	20,034	36,869
Work in progress	28,071	33,987
Finished goods	10,700	16,390
Goods for resale	66,391	77,383
	125,196	164,629

16. Debtors

	The Group		The Company	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Trade debtors	53,839	54,939	-	-
Due from LME Clear Ltd	38,186	14,498	-	-
Amounts owed by Group Company	-	-	81	82
Corporate taxation recoverable	1,570	961	-	-
Amounts owed by associate companies	800	-	-	-
Other debtors	9,319	8,907	-	-
Prepayments and accrued income	1,768	3,353	1	1
Derivative financial instruments	13,595	40,455	-	-
Deferred tax asset (note 19)	7,002	8,004	-	-
	126,079	131,117	82	83

Other than the deferred tax asset, all debtors are receivable within one year.

The cost of providing against or writing off trade and other debtors was nil (2018: nil).

The analysis of trade and other debtors that were past due but not impaired was as follows:

	The Group	
	2019	2018
	£'000	£'000
<u>Overdue by</u>		
1 – 30 days	5,336	2,755
31 – 60 days	955	849
61 – 90 days	41	17
Over 90 days	187	257

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

17. Share capital

	The Company and the Group	
	2019	2018
	£'000	£'000
Allotted and fully paid:		
Share capital:		
50,000 F Ordinary shares of £1 each (2018: 50,000)	50	50
44,300 A Ordinary shares of £1 each (2018: 44,300)	44	44
	94	94

All shares rank equally with regard to dividends and other distributions. F Ordinary shares carry one vote per share.
A Ordinary shares are non-voting shares.

18. Provisions for liabilities

	The Group	
	2019	2018
	£'000	£'000
Pensions and similar obligations	659	474
Deferred taxation (note 19)	8	13
	667	487

19. Deferred taxation

	The Group
	£'000
Movements on deferred tax:	
At 1 January 2019: net asset	7,991
Income Statement	(308)
Other comprehensive income	(699)
Exchange	10
At 31 December 2019: net asset	6,994

The above are reported in the balance sheet as:

	The Group	
	2019	2018
	£'000	£'000
Deferred tax asset	7,002	8,004
Deferred tax liability	(8)	(13)
	6,994	7,991

Analysis of net deferred tax assets:

Timing differences relating to:		
Pensions	7,099	7,797
Tangible fixed assets	(479)	(386)
Fixed asset investments	(306)	(306)
Accruals and other	680	886
	6,994	7,991

Potential deferred tax assets in various locations relating to tax losses amounting to £820,000 (2018: £886,000) have not been recognised on the grounds that utilisation of such losses is considered uncertain. The losses have no expiry date.

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

20. Creditors

	The Group		The Company	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Other creditors falling due within one year:				
Trade creditors	57,610	40,693	-	-
Amounts owed to subsidiary	-	-	10	2
Dividends declared by AMC	65	65	-	-
Minority interest dividends payable	4,098	-	-	-
Amounts owed to associate companies	71	-	-	-
Corporate taxation	2,298	1,715	-	-
Other taxation and social security	779	1,498	-	-
Accruals and deferred income	12,230	13,576	10	8
Derivative financial instruments	27,285	33,429	-	-
Other	5,414	13,957	-	-
	109,850	104,933	20	10

21. Cash generated from operations

	The Group	
	2019	2018
	£'000	£'000
Profit for the financial year	13,421	9,269
Adjustments for:		
Amortisation of goodwill	32	35
Depreciation of tangible fixed assets	2,168	1,920
(Profit) on disposal of tangible fixed assets	(95)	(264)
(Gain) on change in fair value of investment property	(15)	-
Loss on change in fair value of fixed asset investment	138	111
Defined benefit pension scheme service cost	658	2,227
Defined benefit pension scheme net interest cost	1,259	1,000
Defined benefit pension scheme contributions	(3,150)	-
Operating (profits)/losses of associated companies	(639)	184
Taxation	3,536	2,349
Net interest expense	980	1,527
Decrease/ (increase) in stocks	39,433	(28,267)
Decrease/ (increase) in debtors	4,551	24,810
Increase / (decrease) in creditors and provisions	681	9,764
Exchange	(4,569)	6,048
Cash inflow / (outflow) from operations	58,389	30,713

	The Company	
	2019	2018
	£'000	£'000
Profit for the financial year	2,828	3,099
Adjustments for:		
Dividends received	(2,829)	(3,100)
Taxation	-	-
Interest	(11)	(7)
(Increase) / decrease in debtors	1	2,357
Increase / (decrease) in creditors	10	2
Cash inflow / (outflow) from operations	(1)	2,351

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

22. Movement in net funds

2019	31 December 2018 £'000	Exchange £'000	Increase in cash & cash equivalent £'000	Movements in other borrowings £'000	31 December 2019 £'000
Cash at bank and in hand	88,974	(1,306)	11,218	-	98,886
Borrowings on demand	(31,062)	2,005	7,832	-	(21,225)
Cash and cash equivalents	57,912	699	19,050	-	77,661
Other bank loans and overdrafts falling due within one year	(31,056)	894	-	22,169	(7,993)
Net funds	26,856	1,593	19,050	22,169	69,668

Included in cash at bank and in hand is unsegregated cash of £33,835,000 held by the Group's regulated financial services subsidiaries, which is not made available to other members of the Group (2018: £15,800,000).

The carrying value of bank loans and overdrafts is a reasonable approximation to fair value, and represents drawdowns under short-term loan facilities that expire less than one year after the balance sheet date.

Bank loans and overdrafts at 31 December 2019 include £15,541,000 secured on the assets of the relevant Group companies (2018: £18,351,000). An additional £4,909,000 (2018: £15,889,000) of bank loans and overdrafts relate to stocks that had been sold to banks in December 2019 with an agreement to repurchase the same stocks in January 2020.

The cash at bank values disclosed in the above table are stated net of certain overnight currency borrowings. Had these positions not been offset, the value of cash at bank at 31 December 2019 would have been £124,913,000 (31 December 2018 - £104,798,000) and the value of bank loans and overdrafts at 31 December 2019 would be £54,363,000 (31 December 2018 - £77,942,000).

2018	31 December 2017 £'000	Exchange £'000	Increase in cash & cash equivalent £'000	Movements in other borrowings £'000	31 December 2018 £'000
Cash at bank and in hand	58,064	856	30,054	-	88,974
Borrowings on demand	(18,596)	(1,366)	(11,100)	-	(31,062)
Cash and cash equivalents	39,468	(510)	18,954	-	57,912
Other bank loans and overdrafts falling due within one year	(26,916)	(1,256)	-	(2,884)	(31,056)
Net funds	12,552	(1,766)	18,954	(2,884)	26,856

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

23. Pensions

The defined benefit scheme is the Amalgamated Metal Corporation pension scheme in the UK, which is a final salary pension scheme. This scheme is funded in accordance with independent actuarial advice, with the assets held in a separate trustee-administered fund and it has been closed to new joiners since 2003, with new employees offered membership of defined contribution schemes.

The administrative costs of the defined pension scheme are borne by the scheme itself.

Actuarial valuations are carried out triennially by the independent actuary. The most recent full actuarial valuation of the Amalgamated Metal Corporation pension scheme was as at 1 January 2017. This valuation showed assets of £139.0 million, representing 107% of benefits that had accrued to members using the attained age method. Given the actuarial surplus, contributions from the Company to cover future service costs are not required, however voluntary contributions of £3,150,000 were made in the year by the Company (2018: £none).

For the purposes of these financial statements, this preliminary actuarial valuation has been updated to 31 December 2019 by the same qualified independent actuary. The major assumptions used by the actuary were:

	2019	2018
	%	%
Price inflation per annum – RPI	2.86	3.40
Price inflation per annum – CPI	2.06	2.40
Pensionable salary increases per annum	2.31	2.65
Pension increases per annum	2.06 – 3.54	2.40 – 3.70
Deferred pension increases per annum	2.06 – 2.86	2.40 – 3.40
Discount rate	1.94	2.80

Mortality assumptions

The mortality assumptions in the UK scheme are set out in the table below. Base mortality is assumed to be in line with the S2PA table (2018: S2PA table) with future improvement in line with the CMI 2018 projection basis (2018: CMI 2017) with a 0.5% long-term improvement rate.

	2019	2018
	Years	Years
Life expectancy for current pensioners:		
Men	86	86
Women	88	88
Life expectancy for future pensioners:		
Men	86	87
Women	88	89

	2019	2018
	£'000	£'000
a) Net defined benefit liability		
UK Scheme:		
Equities	45,335	37,964
Multi-asset funds	31,044	32,250
Property and infrastructure	44,105	39,929
Targeted return funds	23,018	21,466
Cash	2,103	2,398
Fair value of scheme assets	145,605	134,007
Defined benefit obligation	187,363	179,871
Net defined benefit liability	41,758	45,864

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

23. Pensions (continued)

	2019	2018
	£'000	£'000
<u>b) Changes in the fair value of scheme assets</u>		
Brought forward	134,007	146,897
Interest income on scheme assets	3,687	3,725
Experience gains/ (losses) on scheme assets	11,938	(10,059)
Contributions paid by employer	3,150	-
Benefits paid	(7,177)	(6,556)
Carried forward	145,605	134,007

Scheme assets do not include any of the Group's own financial instruments, nor any property occupied by Group companies.

The actual return on scheme assets in the year was a gain of £15,625,000 (2018: loss of £6,334,000).

	2019	2018
	£'000	£'000
<u>c) Changes in the defined benefit obligation</u>		
Brought forward	179,871	184,605
Current service cost	658	799
Past service cost (below)	-	1,428
Interest cost	4,946	4,725
Actuarial (gains)/ losses	9,065	(5,130)
Benefits paid	(7,177)	(6,556)
Carried forward	187,363	179,871

The past service cost recorded in 2018 arose following the October 2018 court ruling in respect of the Lloyds pension schemes, requiring UK pension schemes to equalise Guaranteed Minimum Pensions (GMP's).

A review of the impact of this ruling on the scheme, given the scheme's specific rules and circumstances and clarification of the legal position, is ongoing. Only when it has been finalised will the liability, which may be zero, be known.

	2019	2018
	£'000	£'000
<u>d) Amounts recognised in the consolidated income statement</u>		
Included in operating costs:		
Current service cost	658	799
Past service cost	-	1,428
	658	2,227
Included in other finance costs:		
Net interest cost	1,259	1,000

	2019	2018
	£'000	£'000
<u>e) Amounts recognised in the consolidated statement of comprehensive income</u>		
Actual return on assets less interest income included in net interest cost	11,938	(10,059)
Experience gains arising on scheme liabilities	(2,212)	63
Changes in the assumptions underlying the present value of scheme liabilities	(6,853)	5,067
Net gains/ (losses)	2,873	(4,929)

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

24. Commitments under operating leases

	The Group	
	2019	2018
	£'000	£'000
At 31 December, future minimum lease payments under non-cancellable operating leases were as follows:		
Not later than one year	1,699	1,291
Later than one and not later than five years	4,751	4,843
Later than five years	3,274	4,183
	9,724	10,317

25. Related parties and related party transactions

Transactions between wholly owned companies in the AMC Group and AMCO are not disclosed, as permitted by FRS 102.

During the year ended 31 December 2019, sales from wholly owned Group companies to non-wholly owned Group companies totalled £8,018,000 (2018 - £4,606,000). Purchases by wholly owned Group companies from non-wholly owned Group companies totalled £8,832,000 (2018 - £12,250,000). Interest charged by wholly owned Group companies to non-wholly owned Group companies totalled £53,000 (2018 - £7,000).

At the balance sheet date, amounts due from wholly owned Group companies to non-wholly owned Group companies totalled £18,000 (2018 - £1,717,000). Amounts due to wholly owned Group companies from non-wholly owned Group companies totalled £1,235,000 (2018 - £2,762,000). These amounts have been eliminated on consolidation.

At the balance sheet date inter-Company forward contract balances due from non-wholly owned Group companies to wholly owned Group companies totalled £82,000 (2018 - £1,527,000). Forward contract balances due from wholly owned Group companies to non-wholly owned Group companies totalled £11,000 (2018 - £1,309,000). These amounts have been eliminated on consolidation.

Balances due to/from associates are disclosed separately in notes 16 and 20. Interest paid by associates to Group companies totalled £30,000 (2018 - £14,000). Rental income charged by Group companies to associate companies totalled £311,000 (2018: £270,000).

26. Parent and ultimate parent undertaking

The ultimate controlling parties are the shareholders of AMCO Investments Limited.

27. Events after the reporting period

Acquisition of E.F. Westaway

On 12 February 2020 the Group acquired the entire share capital of E.F. Westaway Limited ('Westaway') for £1.0 million paid in cash. Westaway offers a range of chemical finishing processes for exotic metal components including pickling, etching, passivation and ceramic core removal. It serves several industries requiring high integrity inspection, including auto sport, energy, automotive, and aerospace and defence and holds aerospace approvals such as AS9100B, and NADCAP. On acquisition Westaway had £0.7 million in cash. The process of fair valuing Westaway has not been completed at the date of these financial statements. All amounts are disclosed as provisional.

Share repurchase

On 29 January 2020 the Company purchased and cancelled 100 Ordinary A shares from one shareholder at a cost of £50,000.

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

27. Events after the reporting period (continued)

Coronavirus

As explained further in the Strategic Report, the spread of the Coronavirus in early 2020 has led to both a public health and an economic crisis. This is anticipated to have adverse consequences for our results and performance in 2020. We expect the economic crisis will lead to lower demand for metals across the globe, and we will be entering a period where particular focus on credit will be required. We can expect supply chain interruption that may cause shortages of raw materials, while our customer base may be operating at reduced capacity. Our Trading Division expects to see decreased demand from customers. Our appetite to take large volumes of new business is heavily dependent on the economic situation and the risk protections and rewards available, and may reduce. We do however anticipate a continued demand for hedging services as industry seeks to protect itself against volatility in the metal markets. Our liquidity position and our robust liquidity management framework benefits us in these times, providing the Group with resilience against economic turbulence and the agility to react to developments as they arise. The significant investments in technology and remote working capability that we have made in 2019 has given the London based trading businesses remote working capability which enables them to continue operating during the Coronavirus storm.

28. Financial instruments

(a) Risk and risk management

Financial instruments of significance to the Group comprise primary financial instruments (mainly cash, borrowings, debtors and creditors) and derivative financial instruments (mainly London Metal Exchange ("LME") forward contracts and foreign exchange contracts).

In its business activities, the Group is exposed to financial risk from a number of sources that can be categorised as market risk, counterparty risk and liquidity risk. Market risk is the risk that movements in metal prices or foreign exchange rates will cause fluctuations in the values of, or cash flows arising from, financial assets and liabilities, and from other contracts for the future delivery of metal.

Exposures to metal price movements are restricted by the imposition of trading position limits by the AMC Board of Directors. Where appropriate, LME forward contracts are used to offset the metal price exposure inherent in physical metal contracts. LME forward contracts are also traded by AMT, the Group's LME ring dealing member, again within trading position limits. Operations are required to report, at pre-determined intervals, their actual positions against the limits delegated.

Most entities within the Group are exposed to fluctuations in foreign exchange rates. These can arise because they buy or sell products priced internationally, mainly in US dollars, or due to cross-border trade. Group entities are required to hedge all such exposures as they contractually arise, and this is done with foreign exchange contracts, including forward contracts, or sometimes by taking out foreign currency borrowings. Only the Group's Treasury centres are permitted to hold foreign currency positions, again within position limits. The Group is exposed to the risk of losses in the sterling value of its net investment in foreign operations caused by exchange rate fluctuations, and on occasions uses forward exchange contracts to reduce this risk.

Businesses within the Group are exposed to potential losses in the event that counterparties to financial instruments (and other contracts for the future delivery of metal) fail to meet their contractual obligations. Credit control policies approved centrally, including the use of credit limits, credit insurance, guarantees and the margining of customers, are used to mitigate the risk of loss. The spread of the Group's businesses reduces its exposure to the risk of material loss due to significant concentrations of credit risk.

AMT Futures, the Group's commodities and financial futures brokerage business, does not take positions in derivatives as all trading is on a back-to-back basis. Clients are allowed to trade only on a fully margined basis, which substantially reduces, but does not fully eliminate, credit risk.

The risk that adequate funding is not available for the Group to meet its commitments associated with financial instruments is liquidity risk. The Group plans its future business in conjunction with its available borrowing facilities to avoid liquidity problems, and maintains relationships with lenders to ensure that facility levels, including facilities for the derivatives noted above, are adequate and can be adjusted to address any changes in the Group's requirements. Cash is placed on deposit only with approved banks. There is a credit risk associated with balances held with banks, which is mitigated by holding them with highly rated financial institutions.

AMCO INVESTMENTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED 31 DECEMBER 2019

28. Financial instruments (continued)

(b) Analysis of the Group's and Company's financial instruments

The Group's and Company's financial instruments may be analysed as follows:

	<u>The Group</u>		<u>The Company</u>	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Cash at bank and in hand	98,886	88,974	3,118	3,108
Financial assets measured at fair value through profit or loss	15,420	42,410	-	-
Financial assets that are debt instruments measured at amortised cost	102,144	78,344	82	82
Financial liabilities measured at fair value through profit or loss	27,285	33,429	-	-
Financial liabilities measured at amortised cost	97,255	118,331	10	2

Financial assets measured at fair value through profit or loss comprise derivative financial instruments and the fixed asset investments in LME Holdings Ltd 'B' shares and in Kasbah Resources Ltd.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts due from LME Clear, amounts owed by the Parent Company, other debtors, and in the Company, amounts owed by subsidiaries.

Financial liabilities measured at fair value through profit or loss represents derivative financial instruments.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, declared dividends, other tax and social security and other creditors, and in the Company, amounts owed to the holding company and to subsidiaries.

The Group has entered into foreign currency options which expire during 2020 that qualify as cash flow hedges against highly probable forecasted transactions in US dollars. The fair value of these options at 31st December 2019 was £Nil (2018: £102,000 liability recorded in creditors) with £102,000 recognised as a profit in other comprehensive income (2018: profit of £137,000).

(c) Operating income and forward profits and losses

Operating income includes net gains of £8,828,000 (2018: £5,731,000) on trading terminal market contracts by AMT and foreign exchange contracts by AMC. Operating income includes £3,602,000 of forward losses (net of profits) arising in AMT (2018: £15,800,000 profits net of losses). These profits and losses are included in trade debtors and trade creditors as appropriate.

(d) Market risk and sensitivity

At 31 December 2019, a 1% change in market prices would have resulted in a change of £933,000 (2018: £966,000) in the market value of AMT's LME derivatives held with third parties. The AMT positions largely reflect hedging done by AMT on behalf of other Group companies to mitigate their positions in physical metals so the impact on the Group's profit would be significantly less than this amount. At 31 December 2019, a 1% change in market prices would have resulted in a change of £159,000 (2018: £120,000) in the market value of AMT's LME derivatives held with all parties.

A 1% change in spot exchange rates against sterling would have resulted in a change of £337 (2018: £163) in the market value of AMC London Treasury's net foreign exchange positions with all parties.

(e) Credit risk

At 31 December 2019, the Group's exposure to credit risk, without taking account of credit enhancements described in note 28(a) above, is represented by trade and other debtors shown in note 16, along with credit risks arising on the derivatives and other contracts for the future delivery of metal described above. The credit risk associated with banks is also set out in note 28(a) above.

(f) Capital

The Group regards its capital as its share capital, share premium, revaluation reserve and profit and loss account. The Group's policy is to maintain its capital at a prudent level in order to be able to meet all its financial obligations. There are externally imposed capital requirements on AMT and AMT Futures, companies regulated by the Financial Conduct Authority. Banks stipulate minimum capital levels in AMC PLC, Amalgamet Ltd, CA Group, Consolidated Alloys (NZ) and Sansing Ltd as a condition of lending to those companies. All these requirements and conditions have been fully adhered to.

	2019	2018
	£'000	£'000
29. Contingent liabilities		
Guarantees issued by the Group in respect of associates' obligations:		
Bank borrowings of associate	193	-

AMCO INVESTMENTS LIMITED
SUBSIDIARIES AND OPERATING UNITS

Company	Registered Office and country of incorporation	Main Activities	General Manager
Group Head Office			
Amalgamated Metal Corporation PLC ⁺	55 Bishopsgate, London, EC2N 3AH, UK	Investment holding company	
Amalgamated Metal Investment Holdings Ltd	55 Bishopsgate, London, EC2N 3AH, UK	Investment and property holding company	
British Amalgamated Metal Investments Ltd	55 Bishopsgate, London, EC2N 3AH, UK	Investment and property holding company	
Consolidated Tin Smelters Ltd	55 Bishopsgate, London, EC2N 3AH, UK	Investment holding company	
The British Metal Corporation Ltd	55 Bishopsgate, London, EC2N 3AH, UK	Investment dealing company	
Regional Holding Companies			
Amalgamated Metal (Australia) Ltd	32 Industrial Avenue, Thomastown, Victoria, 3074, Australia	Investment holding company	
Amalgamet Inc	222 Bloomingdale Road, White Plains, New York 10605, USA	Investment holding company	
BAMI Canada Inc	595 Burrard St, Three Bentall Centre, Vancouver, British Columbia, V7X 1L3, Canada	Investment holding company	
Escoy Holdings Bhd (54.85%)	51-11-E2 Jalan, Sultan Ahmad Shah, Menara BHL, 10050, Penang, Malaysia	Investment holding company	N Ariff
AMC Trading			
Amalgamated Metal Trading Ltd	55 Bishopsgate, London, EC2N 3AH	London Metal Exchange ring dealer	N Fellowes
AMT Futures Ltd	55 Bishopsgate, London, EC2N 3AH, UK	Commodity and financial futures brokers and fund management	C J P Rigby
AMC Treasury Services**	55 Bishopsgate, London, EC2N 3AH, UK	Group treasury operations	H Michie
Sansing (58% of ordinary shares, 63% of Preference "B" shares)	26th floor, Wanchai Central Building, 89 Lockhart Road, Wanchai, Hong Kong	Trade of scrap and recycled non-ferrous metals	S Woolf
Amalgamet Ltd	55 Bishopsgate, London, EC2N 3AH, UK	Metals, concentrates and minerals trading	A Sussmes
Amalgamet (South East Asia) Pte Ltd	10 Anson Road, #09-18 International Plaza, Singapore, 079903	Metals, concentrates and minerals trading	J Gip
Brookside Metal Trading Ltd (58% of ordinary shares)	55 Bishopsgate, London, EC2N 3AH, UK	Trade of scrap and recycled non-ferrous metals	H Michie
Milver Metal Trading Ltd (58% of ordinary shares)	55 Bishopsgate, London, EC2N 3AH, UK	Trade of scrap and recycled non-ferrous metals	H Michie
Amalgamet Canada LP	Suite 1001, 60 Yonge St, Toronto, ON, M5E 1H5, Canada	Metals, concentrates and minerals trading	H Michie
William Rowland Ltd	9 Meadow Street, Sheffield, South Yorkshire, S3 7BL	Marketing non-ferrous metals, ferro-alloys and metal powders	R Lowe
Alloys, Metals and Ceramics Holdings (Pty) Ltd (50%)	1 Dormehl Street, Anderbolt Boksburg, Gauteng, South Africa	Metals, concentrates and minerals trading	M Retief
The British Metal Corporation (India) Private Ltd (40%)	Apeejay House, 1st Floor, Dinsha Wachha Road, Mumbai 400020, India	Metals, concentrates and minerals trading	R Gopal

⁺ Ordinary shares owned by AMCO Investments Limited. The other companies shown on this page are wholly owned by Amalgamated Metal Corporation PLC, including voting rights, unless otherwise shown. Class of shares held is "ordinary shares" unless shown otherwise.

^{**} Division of Amalgamated Metal Corporation PLC

^{*} Division of Regional Holding Company

AMCO INVESTMENTS LIMITED
SUBSIDIARIES AND OPERATING UNITS

Company	Registered Office and country of incorporation	Main Activities	General Manager
AMC Industrial Consolidated Alloys (C.A. Group Australasia Pty Ltd)	32 Industrial Avenue, Thomastown, Victoria, 3074, Australia	Manufacture of construction materials and solders and distribution of metals	N Hardcastle
Vespol Pty Ltd	32 Industrial Avenue, Thomastown, Victoria, 3074, Australia	Manufacture and distribution of construction materials	N Hardcastle
Keeling & Walker Ltd	Whieldon Road, Stoke-on-Trent, ST4 4JA, UK	Manufacture of tin oxide and specialist tin-based powders	D Guhl
Thermox Performance Materials Limited	55 Bishopsgate, London, EC2N 3AH, UK	Manufacture of high performance tin oxide	D Guhl
Thermox Performance Materials GmbH	Bredeneyer Str. 2b, 46133 Essen, Germany	Marketing and distribution of tin oxide and specialist tin-based powders	D Guhl
Consolidated Alloys (NZ) Ltd	55 Maurice Road, Penrose, PO BOX 12387, Auckland, New Zealand	Manufacture of construction materials and solders and distribution of pumps	K Brooks
Thailand Smelting and Refining Co Ltd (100%)	116/17-18 Srivit Building, Soonthornkosa Road, Klongtoey, Bangkok 10110, Thailand	Tin refining, manufacture of solders and metal powders and distribution of metals	A Davies
Milver Metal Company Ltd	Coronel Avenue, Rowleys Green, Industrial Estate, Coventry, West Midlands, CV6 6AP, UK	Manufacture of aluminium and copper alloys and metal recycling	D Sher
Brookside Metal Company Ltd	28 Bilston Lane, Willenhall, WV13 2QE, UK	Industrial property holding	HTK Brown
Scanmetals (UK) Ltd (33.3%)	55 Bishopsgate, London, EC2N 3AH, UK	Recycling of non ferrous metals	A King / J Esteves

OTHER COMPANIES

Company	Registered Office and country of incorporation	Main Activities
AMC Group Limited	55 Bishopsgate, London, EC2N 3AH, UK	Dormant
Oakland Metal Company Ltd	55 Bishopsgate, London, EC2N 3AH, UK	Dormant
Henry Gardner & Co Ltd	55 Bishopsgate, London, EC2N 3AH, UK	Dormant
Consolidated Alloys Pty	32 Industrial Avenue, Thomastown, Victoria, 3074, Australia	Investment holding company
Amalgamated Metal Recycling Holdings Limited (58% share holding)	55 Bishopsgate, London, EC2N 3AH, UK	Investment holding company
BMC (SA) (49% shareholding)	1 Dormehl Street, Anderbolt Boksborg, Gauteng, South Africa	Investment holding company
Ceranic & Alloy Specialists (50% shareholding)	1 Dormehl Street, Anderbolt Boksborg, Gauteng, South Africa	Metals, concentrates and minerals trading
Ceralcast PTY Ltd (50% shareholding)	1 Dormehl Street, Anderbolt Boksborg, Gauteng, South Africa	Metals, concentrates and minerals trading

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