

## **Brookside Metal Trading Limited**

Report and Financial Statements

Year Ended

31 December 2020

Company Number 11741850

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# **Brookside Metal Trading Limited**

## **Report and financial statements for the year ended 31 December 2020**

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### **Directors**

D S Sher  
H Michie

### **Registered office**

7th Floor 55 Bishopsgate, London, United Kingdom, EC2N 3AH

### **Trading address**

28 Bilston Lane, Willenhall, West Midlands, WV13 2QE

### **Company number**

11741850

### **Auditors**

RSM UK Audit LLP, 6th Floor 25 Farringdon Street, London, EC4A 4AB

# Brookside Metal Trading Limited

## Directors' report for the year ended 31 December 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

### Principal activity

The principal activity of the Company is to carry out the trading of scrap and recycled non-ferrous metals.

### Results and dividends

The loss for the year, after taxation, amounted to £272,926 (2019 - loss of £87,275). At the end of the year Shareholders' funds were £389,799 (2019 - £162,725).

The directors do not recommend the payment of a final dividend for the year (2019 - £Nil).

### Going concern

The directors' going concern assessment has been disclosed in note 1, page 9.

### Directors

The directors who served during the year were:

H Michie  
D Sher

### Directors liability insurance and indemnity

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

### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Auditors

RSM UK Audit LLP are deemed to be reappointed under the Companies Act 2006, section 487.

### Small Companies

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 26th May 2021 and signed on its behalf.



H Michie  
Director

# **Brookside Metal Trading Limited**

## **Directors' responsibilities statement for the year ended 31 December 2020**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

# Brookside Metal Trading Limited

## Independent auditor's report to the Members of Brookside Metal Trading Limited

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### Opinion

We have audited the financial statements of Brookside Metal Trading Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including 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 company's affairs as at 31 December 2020 and of its loss 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Other information

The 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 contained within the annual report. 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.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# Brookside Metal Trading Limited

## Independent auditor's report (continued)

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### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### 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.

### The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

# Brookside Metal Trading Limited

## Independent auditor's report (continued)

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety and environmental regulations. We performed audit procedures to inquire of management and those charged with governance whether the company is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities as appropriate.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments; evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business; and challenging judgments and estimates applied in the preparation of the 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.

### 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 Street, London, EC4A 4AB

Date 27 May 2021

# Brookside Metal Trading Limited

## Statement of comprehensive income for the year ended 31 December 2020

	Note	2020	Period from 27 Dec 2018 to 31 Dec 2019
		£	£
Turnover	3	5,538,345	-
Change in stocks of finished goods and work in progress		3,884,437	-
Other operating income		3,780	-
Raw materials and consumables		(8,878,092)	-
Other operating charges		(537,939)	(32,815)
Staff costs	5	(216,289)	(38,461)
Depreciation and other amounts written off tangible fixed assets		(101,535)	(34,512)
<b>Loss from operations</b>	4	<b>(307,293)</b>	<b>(105,788)</b>
Interest payable and similar charges	6	(31,594)	-
<b>Loss on ordinary activities before taxation</b>		<b>(338,887)</b>	<b>(105,788)</b>
Taxation on loss on ordinary activities	7	65,961	18,513
<b>Loss and total comprehensive loss for the year</b>		<b>(272,926)</b>	<b>(87,275)</b>

All amounts relate to continuing activities.

The notes on pages 9 to 19 form part of these financial statements.



# Brookside Metal Trading Limited

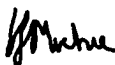
## Statement of financial position at 31 December 2020

<b>Company number 11741850</b>	<b>Note</b>	<b>2020 £</b>	<b>2020 £</b>	<b>2019 £</b>	<b>2019 £</b>
<b>Fixed assets</b>					
Tangible assets	8		400,753		264,174
<b>Current assets</b>					
Stocks		3,884,437		-	
Debtors	9	1,500,653		41,234	
Cash at bank and in hand		603,655		250,124	
		<u>5,988,745</u>		<u>291,358</u>	
<b>Creditors: amounts falling due within one year</b>	10	(5,999,699)		(392,807)	
<b>Net current liabilities</b>			(10,954)		(101,449)
<b>Total assets less current liabilities</b>			<u>389,799</u>		<u>162,725</u>
<b>Net assets</b>			<u>389,799</u>		<u>162,725</u>
<b>Capital and reserves</b>					
Called up share capital	12		750,000		250,000
Profit and loss account	13		(360,201)		(87,275)
<b>Shareholders' funds</b>			<u>389,799</u>		<u>162,725</u>

The financial statements were approved by the Board of Directors and authorised for issue on 26th May 2021



D Sher  
Director



H Michie  
Director

The notes on pages 9 to 19 form part of these financial statements.

# Brookside Metal Trading Limited

## Statement of changes in equity for the year ended 31 December 2020

	Share capital £	Profit and loss account £	Total equity £
<b>Initial share capital on incorporation</b>	100	-	100
<b>Comprehensive loss for the period</b>			
Loss for the period	-	(87,275)	(87,275)
<b>Issue of share capital</b>			
Shares issued during the period	249,900	-	249,900
<b>At 31 December 2019</b>	<u>250,000</u>	<u>(87,275)</u>	<u>162,725</u>
<b>At 1 January 2020</b>	250,000	(87,275)	162,725
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(272,926)	(272,926)
<b>Issue of share capital</b>			
Shares issued during the year	500,000	-	500,000
<b>At 31 December 2020</b>	<u>750,000</u>	<u>(360,201)</u>	<u>389,799</u>

The notes on pages 9 to 19 form part of these financial statements.

# Brookside Metal Trading Limited

## Notes forming part of the financial statements for the year ended 31 December 2020

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### 1 Accounting policies

#### *Company information*

Brookside Metal Trading Limited is a private Company limited by shares incorporated in England & Wales under the Companies Act. The address of the registered office and trading address is given on the contents page and the nature of the Company's operations is stated in the Director's Report.

#### *Basis of preparation of financial statements*

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006, as applicable to Companies subject to the small Companies' regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view. The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

#### *Going concern*

The Company has access to adequate funding resources and continues to monitor the impact of COVID-19, however it's not expected to have a significant effect on the long-term prospects of the Company. The Company participates in the Group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. On the basis of their assessment of the Company's financial position and of the enquiries made of Amalgamated Metal Corporation PLC ("AMC PLC"), the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for at least twelve months following the date of signing the financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### *Turnover*

Turnover is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

# Brookside Metal Trading Limited

## Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

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### 1 Accounting policies (continued)

#### *Tangible fixed assets*

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Plant and machinery	-	4-10 years
Fixtures and fittings	-	3-5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Statement of Comprehensive Income.

Assets that are subject to depreciation are assessed at each reporting 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 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 amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use.

# Brookside Metal Trading Limited

## Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

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### 1 Accounting policies (continued)

#### *Stock*

Stock is stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

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

The fair values of metal stocks along with other financial derivatives are measured at each reporting date and changes in the fair value are recognised in profit or loss in other operating charges.

#### *Cash and cash equivalents*

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### *Financial instruments*

The Company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from related parties.

Debt instruments, other than those wholly repayable or receivable within one year, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at transaction price and less any impairment in the case of receivables.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

# Brookside Metal Trading Limited

## Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

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### 1 Accounting policies (continued)

#### *Financial instruments (continued)*

The Company operates a risk reduction policy to restrict exposure to profits or losses arising from fluctuating currency rates and base metals prices by using financial derivatives, specifically forward foreign exchange contracts and forward metal purchase contracts. These are not basic financial instruments. In order to prevent distortions of profits and losses which could result from timing differences in realising results from hedging transactions and from physical transactions separately, all derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value. Changes in the fair value of derivatives and metal stocks are recognised in profit or loss in other operating charges, and in receivables or payables as appropriate, with due allowance made for the costs of completing each contract.

#### *Foreign currency translation*

The financial statements are presented in 'sterling', which is the company's functional (the currency of the primary economic environment in which the entity operates) and presentation currency.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

#### *Finance costs*

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### *Pensions*

The pension cost represents contributions during the period to defined contribution schemes, the level of which is based on the recommendations of the actuary and insurance companies.

#### *Current and deferred taxation*

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also 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 reporting date in the countries where the Company operates and generates income.

# Brookside Metal Trading Limited

## Notes forming part of the financial statements for the year ended 31 December 2020 (continued)

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### 1 Accounting policies (continued)

#### *Current and deferred taxation (continued)*

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

### 2. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historic experiences and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities and are not readily apparent from other sources. Actual results may differ from these estimates. The judgements, estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are:

- Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- Stock provisions

At each reporting date stock is assessed for impairment. If stock is impaired the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

# Brookside Metal Trading Limited

Notes forming part of the financial statements  
for the year ended 31 December 2020 (continued)

## 3 Analysis of Turnover

	2020 £	2019 £
Analysis of turnover by country of destination:		
United Kingdom	546,588	-
Europe	410,816	-
Rest of the world	4,580,941	-
	<u>5,538,345</u>	<u>-</u>

All the company's turnover is derived from its one principal activity.

## 4 Operating loss

	2020 £	2019 £
This is arrived at after charging/(crediting):		
Depreciation of tangible fixed assets	101,535	34,512
Fees payable to the company's current auditor for auditing the annual accounts	10,000	-
Exchange (gains)/losses	(235)	-
	<u>111,300</u>	<u>34,512</u>

## 5 Employees

	2020 £	2019 £
Staff costs were as follows:		
Wages and salaries	189,606	33,822
Social security costs	19,085	3,662
Other pension costs	7,598	977
	<u>216,289</u>	<u>38,461</u>

No director received any remuneration from the company as they were remunerated by other group companies. It is not possible to allocate the cost of their remuneration to the company.

The average monthly number of employees, including the directors, during the year was as follows:

	2020	2019
Works	3	-
Administration	5	3
	<u>8</u>	<u>3</u>



# Brookside Metal Trading Limited

Notes forming part of the financial statements  
for the year ended 31 December 2020 (continued)

## 6 Interest payable and similar charges

	2020 £	2019 £
Group loan interest	31,594	-
	<u>31,594</u>	<u>-</u>

## 7 Taxation

	2020 £	2019 £
<i>Current tax</i>		
Corporation tax on profits of the year	-	-
	<u>-</u>	<u>-</u>
Total current tax	-	-
	<u>-</u>	<u>-</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	(84,474)	(18,513)
Adjustment in respect of previous periods	18,513	-
	<u>(65,961)</u>	<u>(18,513)</u>
Movement in deferred tax provision	(65,961)	(18,513)
	<u>(65,961)</u>	<u>(18,513)</u>
Taxation on loss on ordinary activities	(65,961)	(18,513)
	<u>(65,961)</u>	<u>(18,513)</u>

### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 – higher than) the standard rate of corporation tax in the UK of 19% (2019 – 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	(338,887)	(105,788)
	<u>(338,887)</u>	<u>(105,788)</u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2019 – 19%)	(64,389)	(20,100)
Effects of:		
Expenses not deductible for tax purposes	14	-
Origination and reversal of timing differences	(1,587)	1,587
Other	1	-
	<u>(1,572)</u>	<u>1,587</u>
Total tax charge for year	(65,961)	(18,513)
	<u>(65,961)</u>	<u>(18,513)</u>

# Brookside Metal Trading Limited

Notes forming part of the financial statements  
for the year ended 31 December 2020 (*continued*)

## 8 Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
<i>Cost</i>			
At 1 January 2020	298,686	-	298,686
Transfers	(46,909)	46,909	-
Additions	211,584	26,530	238,114
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2020	463,361	73,439	536,800
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At 1 January 2020	34,512	-	34,512
Transfers	(2,932)	2,932	-
Charge for the year	85,849	15,686	101,535
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2020	117,429	18,618	136,047
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 December 2020	345,932	54,821	400,753
	<hr/>	<hr/>	<hr/>
At 31 December 2019	264,174	-	264,174
	<hr/>	<hr/>	<hr/>

# Brookside Metal Trading Limited

Notes forming part of the financial statements  
for the year ended 31 December 2020 (continued)

## 9 Debtors

	2020 £	2019 £
<b>Due within one year:</b>		
Trade debtors	244,240	-
Amounts owed by group undertakings	726,272	-
Other debtors	420,814	22,721
Prepayments and accrued income	24,853	-
<b>Due after more than one year:</b>		
Deferred tax asset (Note 11)	84,474	18,513
	<u>1,500,653</u>	<u>41,234</u>

## 10 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,465,434	-
Amounts owed to group undertakings	4,253,540	385,807
Other taxation and social security	6,503	-
Corporation tax	-	-
Other creditors	1,228	-
Derivative financial instruments	215,398	-
Accruals and deferred income	57,596	7,000
	<u>5,999,699</u>	<u>392,807</u>

# Brookside Metal Trading Limited

Notes forming part of the financial statements  
for the year ended 31 December 2020 (*continued*)

## 11 Deferred taxation asset

	Deferred tax £
At 1 January 2020	18,513
Statement of comprehensive income	65,961
	<hr/>
At 31 December 2020	<b>84,474</b>
	<hr/>

The deferred tax asset is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	18,569	(3,369)
Losses carried forward	65,905	21,882
	<hr/>	<hr/>
	<b>84,474</b>	18,513
	<hr/>	<hr/>

## 12 Share capital

	2020 £	2019 £
<i>Allotted, called up and fully paid</i>		
750,000 (2019 – 250,000) ordinary shares of £1 each	750,000	250,000
	<hr/>	<hr/>

## 13 Reserves

The Company's reserves are as follows:

### Called up share capital

Called up share capital represents the nominal value of the shares issued.

### Profit and loss account

The profit and loss account represents cumulative profits and losses, net of dividends paid and other adjustments.

## 14 Pension commitments

The Company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge amounted to £7,598 (2019 - £977). There were outstanding contributions of £1,228 at the year end (2019 - £Nil) included in other creditors.

# Brookside Metal Trading Limited

## Notes forming part of the financial statements for the year ended 31 December 2020 (*continued*)

### 15 Related party disclosures

During the year, the Company traded with company's under common control of the ultimate parent company. These transactions have been broken down in the table below.

	2020 £	2019 £
Sales	4,654,347	-
Purchases	(2,276,495)	-
Other operating charges	(57,083)	-
Interest	(31,594)	-

Amounts owed to and from group companies are shown separately in Debtors and Creditors (notes 9 and 10).

Included in other operating charges on the statement of comprehensive income are costs of £32,139 (2019 - £Nil) charged by Scanmetals (UK) Limited, an associate company, for services provided during the year. At the end of the year the Company owed Scanmetals (UK) Limited £38,566 (2019 - £Nil).

### 16 Ultimate parent company and parent undertaking of larger group

The Company is a subsidiary of Amalgamated Metal Recycling Holdings Limited, which is incorporated in England and Wales.

The Company's ultimate parent undertaking and ultimate controlling party is AMCO Investments Limited ("AMCO"), a Company incorporated in England and Wales, registered office 7<sup>th</sup> floor, 55 Bishopsgate, London, EC2N 3AH. AMCO is the parent of the largest group of undertakings for which the consolidated financial statements are drawn up and of which the Company is a member. Copies of the consolidated financial statements of AMCO are available from Companies House.

Amalgamated Metal Corporation PLC is the parent of the smallest group of undertakings for which consolidated financial statements are drawn up and of which the Company is a member. Copies of the consolidated financial statements are available at the Company's registered office: 55 Bishopsgate, London, EC2N 3AH.