Registered Number: 616108

Swiss Steel UK Ltd

Annual Report and Financial Statements

For year ended 31 December 2022

Director
T J-D Cremailh

Secretary
J Dent

Auditors
Ballards LLP
Oakmoore Court
Kingswood Road,
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Bankers
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Memery Crystal
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Registered Office
33 Hainge Road
Oldbury B69 2NY
United Kingdom

Strategic report

The directors present their report for the year ended 31 December 2022.

Principal activity

The principal activity of the Company throughout the year continued to be that of steel agents, stockholders and processors. The Company is the exclusive distributor of Swiss Steel Group products into the UK & Republic of Ireland, offering a stocking service as well as Mill-direct and back-to-back delivery options. The Group Mills comprise Ugitech, DEW, Steeltec, Asco & Finkl who among them offer a comprehensive range of Stainless, Tool & Engineering Steel materials (https://www.swisssteel-group.com).

Review of the business

The Company's key performance indicators are set out below:

	2022	*2021*
	£	£
Turnover	25,574,829	23,575,389
Gross Profit	4,261,655	3,656,416
Profit before tax	731,926	399,895
Shareholders' funds	7,156,400	6,530,966
Current assets as % of current liabilities	145%	151%
Average number of employees	40	38

The market environment continued to be challenging with shortage of capacity in the market being exacerbated by a serious accident at our Stainless Mill in France in January 2022. The successful efforts made to get the Mill back to full working capacity coupled with third party supply helped us to meet main customer demands, but volumes were invariably down in the year. Despite this, sales and profits were improved on the back of higher market prices and improved margins.

Despite the challenging conditions, the company has continued to invest in experienced technical staff and processes and to identify business partners to drive increased business volumes, including the further expansion of Sheffield sales office and an investment in new stock ranges. These moves will see an increase in opportunities to support new and existing customers with value-added services, sourcing of innovative materials, special testing and heat treatment to highly technical specifications.

The Company is accordingly well placed to take advantage of increased and returning volumes with its lower cost-based distribution model and direct mill agency opportunities.
The wider Swiss Steel Group has restructured its operations into product focused divisions. This will further enhance the ability of the Company to support its customers with improved service and wider innovative product offerings.

During the year, the Russian invasion of Ukraine took place. This has impacted the business primarily through higher costs of its products. Such increases have been successfully passed on with the result that profitability has not suffered. Resulting increases in working capital have been managed within the Company's existing resources. There has invariably been a restriction in capacity as mills reacted to these cost increases. It is believed that 2023 will be an even more challenging year with the fallout from this plus further turmoil around the World and rising inflation. There will most likely be a potentially downward pressure on prices as demand changes and the market adjusts to all of these factors.

Strategic report

The directors present their report for the year ended 31 December 2022.

Principal risks and uncertainties

The most significant risks to the Company are:

- Fluctuation in the value of commodities
- Poor demand from volume markets & competition in the global market place
- Fluctuation of sterling
- Brexit and COVID-19

The directors have strategies in place to manage these risks and are confident that the business will improve its performance over the forthcoming year. Managing the risks includes the following:

- Sales performance by customer, product and sector is monitored regularly through management information systems for volume and profitability
- Raw material price movements are monitored regularly via LME website information to assess future costs and guide pricing
- Currency movements reviewed regularly and forward cover committed as appropriate

Financial risk management

The company has established a risk and financial management framework whose primary objectives are to protect the company from events that hinder the achievement of its performance objectives.

The objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk.

Credit Risk:

The company's principal financial assets are stock and trade debtors. The principal credit risk arises therefore from its trade debtors. In order to manage credit risk, the directors set limits for its customers based on a combination of payment history and third-party credit references. Credit limits are reviewed by credit control and management on a regular basis in conjunction with debt and collection history. A high proportion of debts are also covered by credit insurance.

Financial risk associated with the fluctuations of commodity prices impacting stock is discussed in the section for Principal risks and uncertainties above.

Interest rate risk:

The company finances its operations through a mixture of retained profits, related company funds and loans. The company's exposure to interest rate fluctuations on borrowing is managed by actively looking to reduce its working capital requirement and to manage the currency mix of borrowings

Liquidity risk:

The company seeks to manage liquidity risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short term flexibility is achieved by utilising parent company funds.

Strategic report (continued)

The directors present their report for the year ended 31 December 2022.

Currency Risk:
The company seeks to manage foreign exchange risk by utilising currency facilities available at group level.

On behalf of the Board

T J-D Cremailh
Director

Date:
Registered No: 616108

18.09.2023

Directors report

The directors present their report for the year ended 31 December 2022.

The directors present their report and financial statements for the year ended 31 December 2022.
Certain items required for the director's report are included within the strategic report, namely Principal Activity, Review of the Business and Principal Risks and Uncertainties

Results and dividends
The profit for the year after taxation amounted to £625,434 (2021: £348,013). The directors do not recommend payment of a dividend for the year 2022 (2021: £NIL).

Future developments

The Company has a lean cost basis achieved through rigorous re-structuring and the benefit achieved through this process together with continued internal changes geared towards generating increased volumes enables the director to be confident that the Company is going forward on a sound basis. The future activities of the Company are focused on growth through investing in new product lines and service offerings as well as promoting the Groups current proven high quality products with both new and existing customers

Going concern
In preparing these financial statements, the directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

On adopting the going concern basis which covers a period of at least 12 months from the date the financial statements are approved, the directors have carried out a review of the business covering the following:

- Forecasts for at least 12 months forward from the date the financial statements are approved. The Company expects to see results continue to improve following the pandemic.

- Confirmed that the Company has sufficient cash resources available such that it can meet its liabilities as they fall due. The Company is funded through a revolving intercompany cash pool arrangement which supports short-term working capital requirements. The current credit line available at the time of signing the accounts is €2 million to end September 2023 dropping to €1 million to end June 2024. This limit is re-assessed annually following agreement of the next year's Business Plan - this will happen towards the end of 2023.

- The cash flow requirements for at least 12 months forward from the date the financial statements are approved have been reviewed and there are no indications of any shortfalls.

- The directors are confident in receiving the current level of support currently offered by the parent and rest of the group into the future, and for a minimum of 12 months forward from the date the financial statements are approved.

- The indicators of potential going concern issues have been reviewed and there are no adverse indicators.

Based on the review performed no material uncertainties that may cast significant doubt about the ability of the Company to continue as a going concern have been identified by the directors. Accordingly, the directors believe that it is appropriate to prepare the financial statements on a going concern basis based on their expectations of continued support from the Group for a period of 12 months after signing of the accounts.

Directors report (continued)

The directors present their report for the year ended 31 December 2022.

Employment of disabled persons

The Company offers equal opportunities in recruitment, training and promotion, and in terms and conditions of employment, without discriminating on grounds of sex, sexual orientation, religious belief, age, colour, ethnic or racial origin, nationality or disability.

Employee Involvement

The Company places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through regular formal and informal meetings.

Environment, health and safety

The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the Company's activities.

The Company also recognises the importance and implications of the Health and Safety at Work Act 1974, the Environment Protection Legislation and all new Health and Safety legislation including that communicated through EU Directives.

Directors

The directors who served the Company during the year were as follows:

T J-D Cremailh

A Bezerra De Melo (resigned 31 March 2022)

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Mazars LLP resigned during the year and Ballards LLP were appointed in their place. A resolution to re-appoint Ballards LLP will be put to the members at the Annual General Meeting.

On behalf of the Board

T J-D Cremailh
Director

Date:
Registered No: 616108

18.09.2023

Statement of Directors responsibilities

The directors present their report for the year ended 31 December 2022.

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework' 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, including FRS 101 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.

Independent auditor's report

to the members of Swiss Steel (UK) Limited

Opinion

We have audited the financial statements of Swiss Steel (UK) Limited (the 'company') for the year ended 31 December 2022, which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 director's 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 original financial statements were 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

Independent auditor's report

to the members of Swiss Steel (UK) Limited (continued)

Opinion on other matter 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 Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 7], 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 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.

Independent auditor's report

to the members of Swiss Steel (UK) Limited (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We obtained an understanding of the legal and regulatory frameworks applicable to the company and the sector in which they operate. We determined that the following laws and regulations were most significant, the Companies Act 2006 and the Health and Safety at Work etc. Act 1974.

We obtained an understanding of how the company are complying with those legal and regulatory frameworks by making inquiries to management. We corroborated our inquiries through our review of board minutes and the reports provided by the companies Business Risk and Claims manager.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- challenging assumptions and judgements made by management in its significant accounting estimates;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- assessing the extent of compliance with the relevant laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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.

....

James Syree BSc FCA (Senior Statutory Auditor)
For and on behalf of Ballards LLP, Statutory Auditor
Chartered Accountants

Oakmoore Court
11C Kingswood Road
Hampton Lovett
Droitwich
Worcestershire
WR9 0QH
Date: 25/9/23

Statement of Comprehensive Income

for the year ended 31 December 2022

	Notes	2022 £	2021 £
Turnover	3	25,574,829	23,575,389
Cost of sales		(21,313,174)	(19,918,973)
Gross Profit		4,261,655	3,656,416
Commission and Other income	4	644,461	548,704
Gross Profit and Other Income		4,906,116	4,205,120
Distribution costs		(182,091)	(131,294)
Administrative expenses		(3,365,354)	(3,128,565)
Other operating costs		(456,675)	(308,660)
Operating costs		(4,004,120)	(3,568,519)
Operating Profit	5	901,996	636,601
Interest receivable	8	26,966	19,382
Interest payable	9	(197,036)	(256,089)
Profit on ordinary activities before taxation		731,926	399,895
Tax	10	(106,492)	(51,882)
Profit for the financial year		625,434	348,013
Other comprehensive income for the year		-	-
Total recognised comprehensive income for the year		625,434	348,013

All amounts relate to continuing activities.
The notes on pages 14 to 33 form an integral part of these financial statements.

Statement of changes in equity

for the year ended 31 December 2022

	Share capital	Capital Contribution Reserve	Profit and loss account	Total share-holders' funds
	£	£	£	£
At 1 January 2021	**500,000**	**4,500,000**	**1,182,953**	**6,182,953**
Equity Dividends Paid (Note 22)	-	-	-	-
Profit for the year	-	-	348,013	348,013
At 1 January 2022	**500,000**	**4,500,000**	**1,530,966**	**6,530,966**
Equity Dividends Paid (Note 22)	-	-	-	-
Profit for the year	-	-	625,434	625,434
At 31 December 2022	**500,000**	**4,500,000**	**2,156,400**	**7,156,400**

The notes on pages 14 to 33 form an integral part of these financial statements

Balance sheet

at 31 December 2022

	Notes	2022 £	2021 £
Fixed assets			
Intangible assets	11	656,729	658,479
Tangible assets	12	1,410,883	1,161,708
Investment properties	13	343,371	357,319
		2,410,983	2,177,506
Current assets			
Stocks	14	8,130,790	6,172,928
Debtors	15	10,131,633	8,865,833
Cash and cash equivalents		268,381	463,236
		18,530,804	15,501,997
Creditors: amounts falling due within one year	16	(12,757,318)	(10,237,985)
Net Current Assets		5,773,486	5,264,012
Total Assets Less Current Liabilities		8,184,469	7,441,518
Creditors: amounts falling due after more than one year	17	(1,028,069)	(910,552)
Net Assets		7,156,400	6,530,966
Capital and reserves			
Called-up share capital	18	500,000	500,000
Capital contribution reserve	19	4,500,000	4,500,000
Profit and loss account	19	2,156,400	1,530,966
Total Shareholders' funds		7,156,400	6,530,966

The notes on pages 14 to 33 form an integral part of these financial statements.
Approved for issue and signed on behalf of the board

T J-D Cremailh
Director
Date:
Registered No: 616108

18.09.2023

Notes to the financial statements

at 31 December 2022

1. General information and authorisation of financial statements

The Company is a private company limited by share capital incorporated in England and Wales and domiciled in England. The address of its registered office is 33 Hainge Road, Oldbury, B69 2NY, United Kingdom.

2. Accounting policies

Basis of preparation and statement of compliance with FRS 101

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. The Company's financial statements are presented in GBP Sterling and rounded to nearest pound sterling, unless otherwise stated.

Departures from Companies Act requirements

Goodwill is initially measured at cost being the excess of the cost of the acquisition over the Company's share of the assets and liabilities recognised on acquisition. Subsequently in accordance with IFRS 3 'Business Combinations' and IAS 36 'Impairment of Assets', goodwill is not amortised but is reviewed annually for impairment or whenever there is an indicator of impairment.

This is a departure from the requirement of paragraph 22 of Schedule 1 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 ('the Regulations') that goodwill is carried at cost reduced by provisions for amortisation calculated to write off the goodwill systematically over a period chosen by the Directors, which does not exceed its useful economic life. As the Company's treatment of goodwill conflicts with the Regulations, the directors have invoked a true and fair override in order to overcome the prohibition on non-amortisation of goodwill in the Companies Act 2006. Assuming a useful life of 20 years, the profit for the year would have been £53,054 lower (2021: £53,054 lower) had goodwill been amortised in the year and the accumulated reduction would be £390,731 (2021: £337,677).

Summary of disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in FRS 101:

- the requirements of IFRS 7 'Financial Instruments: Disclosures'
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64 (o)(ii), B64(p), B64(q)(ii), B66 and B67of IFRS 3 'Business Combinations'
- the requirements of Paragraphs 91 to 99 of IFRS 13 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement)
- the requirements of Paragraph 38 of IAS 1 'Presentation of financial statements' comparative information requirements in respect of paragraph 79 (a) (iv) of IAS 1 'Presentation of financial statements' and paragraph 73(e) of IAS 16, 'Property, plant and equipment' (reconciliation between the carrying amount at the beginning and end of the period).

Notes to the financial statements (Continued)

at 31 December 2022

2. Accounting policies (continued)

Summary of disclosure exemptions (continued)

- the requirements of IAS 7, 'Statement of cash flows'
- the requirements of Paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- the requirements of Paragraph 17 of IAS 24 'Related party disclosures' (key management
- compensation)
- the requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
- the requirements of the following paragraphs of IAS 1 'Presentation of financial statements': 10(d), (statement of cash flows) 10(f), (statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements); 16 (statement of compliance with IFRS); 38A (requirement for minimum of two primary statements, including cash flow statements); 38B-D (additional comparative information);111 (cash flow statement information), and 134-136 (capital management disclosures).
- The requirements of the second sentence of paragraph 11- and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15: Revenue from Contracts with Customers.
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16: Leases.
- The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Regulations is presented separately for lease liabilities and other liabilities, and in total.

The Company is eligible to apply the above exemptions as it is included in the consolidated financial statements of Swiss Steel Holding AG, who prepare financial statements under IFRS as adopted by EU and include above disclosures.

Going concern

In preparing these financial statements, the directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

On adopting the going concern basis which covers a period of at least 12 months from the date the financial statements are approved, the directors have carried out a review of the business covering the following:

- Forecasts for at least 12 months forward from the date the financial statements are approved. The Company expects to see results continue to improve following the pandemic.
- The cash flow requirements for at least 12 months forward from the date the financial statements are approved have been reviewed and there are no indications of any shortfalls.
- The directors are confident in receiving the current level of support currently offered by the parent and rest of the group into the future, and for a minimum of 12 months forward from the date the financial statements are approved.

Notes to the financial statements (Continued)

at 31 December 2022

2. Accounting policies (continued)

Going concern (continued)

- Confirmed that the Company has sufficient cash resources available such that it can meet its liabilities as they fall due. The Company is funded through a revolving intercompany cash pool arrangement which supports short-term working capital requirements. The current credit line available at the time of signing the accounts is €2 million to end September 2023 dropping to €1 million to end June 2024. This limit is re-assessed annually following agreement of the next year's Business Plan - this will happen towards the end of 2023.

The indicators of potential going concern issues have been reviewed and there are no adverse indicators.

Based on the review performed no material uncertainties that may cast significant doubt about the ability of the Company to continue as a going concern have been identified by the directors. Accordingly, the directors believe that it is appropriate to prepare the financial statements on a going concern basis based on their expectations of continued support from the Group for a period of 12 months after signing of the accounts.

Changes in accounting policy
New standards, amendments, IFRIC interpretations and new relevant disclosure requirements

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2022 that have a material impact on the company's financial statements.

Tangible fixed assets
Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Leasehold land and buildings	–	over 40 years
Right of use assets	–	over shorter of useful life and the lease period
Plant and machinery	–	10% to 14% per annum
Other equipment & vehicles	–	10% to 20% per annum

Second-hand assets are depreciated at twice the above rates.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Useful lives and residual amounts are reviewed annually and where adjustments are required these are made prospectively.

Notes to the financial statements (Continued)

at 31 December 2022

2. Accounting policies (continued)

Leased Assets

The Company as a lessee

The Company leases property and equipment. Until the end of 2018, leases of property and equipment were classified as either finance or operating leases. From 1 January 2019, leases are recognised as a right-of-use asset with a corresponding liability.

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Company

recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate based on Group financing operations.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is included in 'Creditors' on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company premeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised payment stream.

Notes to the financial statements (Continued)

at 31 December 2022

2. Accounting policies (continued)

Leased Assets (continued)

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.
Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.
Right-of-use assets are depreciated on a straight-line basis, over the shorter of the lease-term or the assets underlying useful lives. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.
The right-of-use assets are included in the 'Tangible Fixed Assets' lines, as applicable, in the Statement of Financial Position.
The Company applies IAS 36 to determine whether a right-of-use asset is impaired.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Investment properties

Certain of the Company's properties are held for long-term investment and to generate rental income. Investment properties are measured at cost less accumulated depreciation.
The investment property is being depreciated on a straight-line basis over the remaining lease term.
Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of investment property, is recognised in the income statement in the period of de-recognition.
The carrying values of the investment properties are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Useful lives and residual amounts are reviewed annually and where adjustments are required these are made prospectively.

Notes to the financial statements (Continued)

at 31 December 2022

2. Accounting policies (continued)

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not subject to amortisation but is tested for impairment at least annually.

Impairment of Intangible Assets

Indefinite life intangible assets are reviewed for impairment at least annually and whenever events or changes in circumstances indicate that the carrying value may be impaired. For all remaining intangible assets, the Company assesses at each reporting date whether there is an indication that an asset may be impaired.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects senior management's estimate of the cost of capital. Impairment losses of continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

In accordance with IAS36, impairment losses previously recognised in relation to Goodwill cannot be reversed.

Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Notes to the financial statements (Continued)

at 31 December 2022

2. Accounting policies (continued)

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Financial assets and liabilities

Classification

The Company's financial assets include cash and short-term deposits, inter-company receivables and trade and other receivables. The Company's financial liabilities include inter-company payables and operating payables.

Recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs and are subsequently measured at amortised cost using the effective interest method.

Borrowings and other financial liabilities are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the estimated term of the financial instrument or, where applicable, over a shorter period, to the net carrying amount of the financial asset or liability.

Impairment of financial assets

The Company assesses at the end of each reporting period, whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Company recognises lifetime expected credit losses (ECL) for trade receivables. Expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Notes to the financial statements (Continued)

at 31 December 2022

2. Accounting policies (continued)

Revenue recognition
Revenue is recognised to the extent that the Company obtained the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.
The Company does not expect to have any transactions where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As consequence, the Company does not adjust any of the transaction prices for the time value of money. Typically, satisfaction of performance obligations matches invoice timing and payment.
The transaction price is the amount specified in the contract.

The following criteria must be met before revenue is recognised:
Sale of goods
Revenue from the sale of goods is recognised on the satisfaction of performance obligations at a point in time, such as the transfer of a promised good as identified in the contract between the Company and the customer. This is typically upon delivery of the goods in question.

Rental income
Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term as the performance obligation is satisfied over time

Commission income
Income from commissions due from group companies is recognised on an accrual basis, i.e. when it is earned.

Stock
Stock is stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition.
Net realisable value is based on estimated selling price of saleable product less any further costs expected to be incurred to completion and disposal.

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 or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.
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 taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date. Further details are contained in note 10.

Notes to the financial statements (Continued)

at 31 December 2022

2. Accounting policies (continued)

Foreign currency transactions
Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the Statement of Comprehensive Income.

Pensions
The Company operates a money purchase pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

Critical accounting judgements and key sources of estimation uncertainty

Critical Accounting Judgements
The preparation of financial statements requires management to make significant judgements that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. No critical accounting judgements have been identified.

Key Sources of Estimation Uncertainty
Key sources of estimation uncertainty relate to assumptions and estimates adopted by management at the end of the current reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Deferred tax asset
Management are required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits. Further details regarding the value of deferred tax assets recognised are provided in Note 10

Stock
Stock is stated at the lower of cost and estimated selling price less costs to complete and sell, after making due allowance for obsolete and slow moving stock. Further details regarding the stock provision recognised at the balance sheet date are provided in Note 14.

Impairment of Goodwill
The Company considers whether goodwill is impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of future cash flows from the relevant revenue streams and selection of an appropriate discount rate to apply to those cash flows. No impairment charge was recognised (2021: £NIL).

Lease accounting – implicit interest rate
Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, then the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Notes to the financial statements (Continued)

at 31 December 2022

3. Turnover

All turnover originates in the United Kingdom.
Turnover by destination is shown below:

	2022	2021
	£	£
United Kingdom	23,021,518	21,855,759
European Union - Member States	2,553,311	1,719,630
	25,574,829	23,575,389

Turnover all derives from the sale of steel products

4. Commission and Other Income

	2022	2021
	£	£
Net Commissions Received	530,720	451,186
Rental Income	91,550	80,739
Other	22,191	16,779
	644,461	548,704

5. Operating Profit

This is stated after charging/(crediting):

		2022	2021
		£	£
Auditors' remuneration –	Audit	20,000	19,250
–	Taxation services	6,000	7,490
–	Other services	34,904	18,732
Depreciation of Tangible fixed assets		319,436	306,910
Amortisation of Intangible Assets		1,750	1,750
Exchange (gains)/losses on foreign exchange		135,489	(13,933)
Lease rentals – Plant and machinery		94,409	78,089

The lease rental charges relate to low value and short term right of use assets for which the Company recognises the lease payments as an operating expense in the Statement of Comprehensive Income.

6. Directors' remuneration

The directors are directors of other group companies or play a role in group management. Their roles within the Company are deemed to be incidental to their role as group directors and therefore the Company bears no cost in relation to these directors.

Notes to the financial statements (Continued)

at 31 December 2022

7. Staff costs

	2022	2021
	£	£
Wages and salaries	1,819,883	1,792,973
Social security costs	188,856	138,798
Other pension costs (note 20)	142,940	144,440
	2,159,679	2,076,211

The remuneration of key management personnel during the year was £168,452 (2021 - £168,534).

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	No.	No.
Sales, administration and management	25	24
Warehouse and logistics	15	14
	40	38

8. Interest receivable

	2022	2021
	£	£
Inter-company interest receivable	26,966	19,382
	26,966	19,382

9. Interest payable

	2022	2021
	£	£
Inter-company interest payable	148,643	205,631
Interest on lease liabilities	43,393	49,323
Other interest payable	5,000	1,135
	197,036	256,089

Notes to the financial statements (Continued)

at 31 December 2022

10. Tax

(a) Tax on profit on ordinary activities

The tax charge/(credit) is made up as follows:

	2022	*2021*
	£	£
Current tax:		
UK corporation tax on the profit for the year	169,610	89,982
Adjustment in respect of prior years	-	(1,735)
Total current tax (note 10 (b))	169,610	88,247
Deferred tax:		
Origination and reversal of timing differences	(39,942)	(10,616)
Effect of change in taxation rates	(13,678)	(27,003)
Adjustment in respect of previous periods	(9,498)	1,254
Total deferred tax (note 10 (c))	(63,118)	(36,365)
Total tax charge on profit on ordinary activities	106,492	51,882

(b)Factors affecting the current tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022	*2021*
	£	£
Profit on ordinary activities before taxation	731,926	399,895
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	139,066	75,980
Effects of:		
Expenses not deductible for tax purposes	1,507	3,386
Capital allowances	(3,781)	-
Adjustments in respect of prior years	(9,498)	(481)
Tax rate changes	(20,802)	(27,003)
	(32,574)	(24,098)
Total tax charge on profit on ordinary activities	106,492	51,882

Notes to the financial statements (Continued)

at 31 December 2022

10. Tax (Continued)

(b) Deferred tax asset:

	£
At 1 January 2022	151,380
Deferred tax to income statement for the period	63,118
At 31 December 2022	214,498

The elements of deferred taxation are as follows:

	2022	*2021*
		Software
	£	£
Decelerated capital allowances	8,781	14,174
Other timing differences	205,717	137,206
Deferred tax asset (note 10(c))	214,498	151,380

Deferred Tax is provided at a composite rate of 24.70% (2021 - 23.125%) reflecting the changes in future corporation tax rates.

The Company had further unrecognised carried forward tax losses from prior periods of £3,287,871 (2021: £3,287,871). The carried forward tax losses were generated from trading segments different to those generating the profit for the year and therefore cannot be utilised against current year losses.

11. Intangible fixed assets

	Goodwill
	£
Cost:	
At 1 January 2022 and 31 December 2022	1,061,078
Impairment:	
At 1 January 2022	405,078
Impairment	-
At 31 December 2022	405,078
Net book value:	
At 31 December 2022	656,000
At 1 January 2021	656,000

The trade of certain former subsidiary undertakings was transferred to the Company in 2008 on acquisition resulting in goodwill being generated. The carrying value has been reviewed and no further impairment is considered appropriate (2021: £NIL).

Notes to the financial statements (Continued)

at 31 December 2022

11. Intangible fixed assets (Continued)

	£
Cost:	*Software*
At 1 January 2022	7,000
Additions	-
At 31 December 2022	7,000
Amortisation:	
At 1 January 2022	4,521
Charge for the year	1,750
At 31 December 2021	6,271
Net Book Value:	
At 31 December 2022	729
At 31 December 2021	2,479

Total Intangible Assets	At 31 December 2022	656,729
	At 31 December 2021	658,479

Notes to the financial statements (Continued)

at 31 December 2022

12. Tangible fixed assets

	Leasehold land and buildings	*Plant and machinery*	*Other equipment & Vehicles*	*Total*
	£	£	£	£
Cost:				
At 1 January 2022	1,621,359	1,433,259	457,850	3,512,468
Additions	460,862	43,030	50,771	554,663
Disposals	-	(16,675)	(11,156)	(27,831)
At 31 December 2022	2,082,221	1,459,614	497,465	4,039,300
Depreciation:				
At 1 January 2022	686,370	1,311,086	353,304	2,350,760
Disposals	-	(16,675)	(11,156)	(27,831)
Charge for the year	207,646	59,802	38,040	305,488
At 31 December 2022	894,016	1,354,213	380,188	2,628,417
Net book value:				
At 31 December 2022	1,188,205	105,401	117,277	1,410,883
At 31 December 2021	934,989	122,173	104,546	1,161,708

Notes to the financial statements

at 31 December 2022

12. Tangible fixed assets (continued)

The above numbers include the following in respect of right to use assets:

	Short Leasehold land and buildings	*Plant and machinery*	*Other equipment & Vehicles*	*Total*
	£	*£*	*£*	*£*
Cost:				
At 1 January 2022	1,381,377	68,896	144,802	1,595,075
Additions	453,716	-	34,509	488,225
Disposals	-	(16,675)	(11,156)	(27,831)
At 31 December 2022	1,835,093	52,221	168,155	2,055,469
Depreciation:				
At 1 January 2022	518,747	45,158	74,050	637,955
Disposals	-	(16,675)	(11,156)	(27,831)
Charge for the year	188,245	12,527	27,049	227,821
At 31 December 2022	706,992	41,010	89,943	837,945
Net book value:				
At 31 December 2022	1,128,101	11,211	78,212	1,217,524
At 31 December 2021	862,630	23,738	70,752	957,120

Short leasehold land and buildings includes £17,919 in respect of the right to use of land (2021 - £18,601)

Further detail regarding the nature of the Company's leasing arrangements is given in the below table and note.

Type of ROU Asset	Number of assets leased	Range of Remaining Term	Average Remaining Lease Term (weighted on cost)
Short leasehold land & buildings	5	4 to 44 years	4
Plant & machinery	1	1 to 2 years	1
Other equipment & vehicles	8	1 to 6 years	4

Further there is one asset held under a finance lease with a net book value of £14,147 (2021 – £17,431) with a remaining term of 4 years.

Notes to the financial statements (Continued)

at 31 December 2022

13. Investment Properties

	£
Cost:	
At 1 January 2022 and 31 December 2022	1,080,682
Depreciation:	
At 1 January 2022	723,363
Depreciation charge for the year	13,948
At 31 December 2022	737,311
Net Book Value at 31 December 2022	343,371
Net Book Value at 31 December 2021	357,319

The carrying value of the investment property has been reviewed for impairment in 2022. No impairment is required (2021: £Nil).

14. Stock

	2022	*2021*
	£	£
Finished goods and goods for resale	8,130,790	6,172,928

Stock expensed in cost of sales in the year is £21,171,525 (2021: £19,791,995). Included in this amount is the value expensed to write stock down to its fair value (less costs to sell) of £178,000 (2021: £104,000). The additional provision is driven by increasing raw material input costs.

15. Debtors

	2022	*2021*
	£	£
Trade debtors	5,182,369	4,792,818
Amounts due from group undertakings	4,692,216	3,886,617
Prepayments and other debtors	42,542	33,283
Corporation Tax Recoverable	8	1,735
Deferred tax asset (note 10(c))	214,498	151,380
	10,131,633	8,865,833

Notes to the financial statements (Continued)

at 31 December 2022

15. Debtors (continued)

The deferred tax asset is considered to be recoverable after more than one year.
Amounts due from group undertakings include amounts of £4,018,038 (2021 - £3,509,227) which are unsecured, repayable on demand and carry an interest rate of 1%.
Trade debtors are stated after provisions for doubtful debts of £74,000 (2021 - £32,000). The increase is due to a specific customer dispute in the period.

16. Creditors: Amounts falling due within one year

	2022	*2021*
	£	£
Trade creditors	911,289	218,470
Amounts owed to group undertakings	10,060,970	8,063,176
Amounts due under ROU & Finance Leases	364,684	191,310
Interest due under ROU & Finance Leases	9,272	10,797
Other taxes and social security costs	856,209	1,046,293
Corporation Tax	28,469	89,982
Accruals and other creditors	526,425	617,957
	12,757,318	10,237,985

Amounts due to group undertakings include amounts of £4,106,506 (2021 – £1,877,570) which are unsecured, repayable on demand and carry an interest rate of 1 Month LIBOR GBP plus 4.5%.

17. Creditors: Amounts falling due after more than one year

	2022	*2021*
	£	£
Amounts due under ROU & Finance Leases	1,028,069	910,552

The undiscounted maturity analysis of total lease liabilities at 31 December 2022 is as follows:

	Minimum Lease Payments Due			
	Within 1 year	**2-5 years**	**More than 5 years**	**Total**
Lease Payments	409,779	1,060,357	51,116	1,525,252
Finance Charges	(45,094)	(57,685)	(25,719)	(128,498)
Net Present Values	364,685	1,002,672	25,397	1,392,754

Notes to the financial statements (Continued)

at 31 December 2022

18. Issued share capital

Allotted, called up and fully paid	*No.*	*2022* £	*No.*	*2021* £
Ordinary shares of nominal £1 each	500,000	500,000	500,000	500,000

There are no restrictions placed on the distribution of dividends, or the return of capital on a winding up or otherwise.

19. Capital & Reserves

Share capital
Share capital represents the value of shares allotted, called up and fully paid (see Note 18).
Capital contribution reserve
The capital contribution reserve represents the amount of non-distributable capital invested in the Company, without taking shares in return or creating a debt.
Profit and Loss Account
The profit and loss account reflects accumulated distributable profits earned.

20. Pensions

The Company operates a money purchase pension scheme. The pension cost for the year represents contributions payable by the Company to the fund and amounted to £142,940 (2021: £144,440). There were amounts of £18,219 payable to the pension scheme outstanding at the year-end (2021: £15,995).

21. Other financial commitments

In 2022 the Company had future total rentals payable under leases which are either short term in nature or low value as follows:

	2022 *Land and buildings* £	*2022* *Other* £	*2022* *Total* £
Payable:			
Within one year	-	10,480	10,480
In two to five years	-	3,080	3,080
Over five years	-	-	-
	-	13,560	13,560

Notes to the financial statements (Continued)

at 31 December 2022

21. Other financial commitments (continued)

In 2021 the Company had future total rentals payable under leases which are either short term in nature or low value as follows:

	2021 Land and buildings £	*2021* Other £	*2021* Total £
Payable:			
Within one year	-	10,207	10,207
In two to five years	-	566	566
Over five years	-	-	-
	-	10,773	10,773

The Company has placed orders for capital items at 31 December 2022 of Nil (2021 – £Nil)

22. Related party transactions

As the Company is a wholly owned subsidiary of Swiss Steel Holding AG, the Company has taken advantage of the exemption contained in Paragraph 8(K) of FRS101 and has not disclosed transactions or balances with entities which form part of the group. The group financial statements of Swiss Steel Holding AG, within which this company is included, can be obtained from the address given in note 23.

23. Ultimate parent undertaking and controlling party

The immediate parent is Swiss Steel Edelstahl GmbH, which is registered in Germany.
The ultimate parent and the largest and smallest company in which the results of Swiss Steel UK Ltd are consolidated is Swiss Steel Holding AG, which is registered in Switzerland. Group financial statements for this company may be obtained from Landenbergstrasse 11, CH-6005 Luzern, Switzerland.