

Company Registration No. 04278981 (England and Wales)

**GLOBAL METCORP LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**



# **GLOBAL METCORP LIMITED**

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# GLOBAL METCORP LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr A Chaudhari Mr R Choudhary Mr G Chaudhary
<b>Secretary</b>	Mr R Shah
<b>Company number</b>	04278981
<b>Registered office</b>	55 Lowlands Road Grove House Harrow on the Hill MIDDLEX HA1 3AW
<b>Auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditors 30 Finsbury Square London EC2A 1AG

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<b>Bankers</b>	HSBC Bank Plc Level 28 8 Canada Square Canary Wharf London E14 5HQ  Santander UK Plc 4th Floor Santander House 100 Ludgate Hill London EC4M  Barclays Bank Plc Acorn House 36-38 Park Royal Road London NW10 7JA
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# GLOBAL METCORP LIMITED

## STRATEGIC REPORT

### *FOR THE YEAR ENDED 31 MARCH 2020*

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The directors present the strategic report for the year ended 31 March 2020.

#### **Fair review of the business**

Principal activity and business review

The principal activity of the company continued to be that of a commodity trader.

The board of directors are satisfied with the performance of the company during the financial year ended 31st March 2020.

During the year, turnover was decreased by 9.95% compared to previous year. The impact of lower commodity prices and Covid-19 in the last quarter impacted the results for the year.

#### **Key performance indicators**

The directors have identified the following key performance indicators to help and understand and measure the performance of the company:

	2020	2019
	£	£
Revenue (In Millions)	343	381
Operating profit (In Millions)	1.6	2
Gross operating margin (%)	1	1
Trade debtor days	33	30
Trade creditor days	25	21
Current ratio	1	1

#### **Future developments**

The impact of Covid-19 has significantly reduced the turnover in the first quarter of the financial year 2020-2021. The board is optimistic that the company will deliver a breakeven or profitable result in the coming year.

## **GLOBAL METCORP LIMITED**

### **STRATEGIC REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2020***

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#### **Financial risk management objectives and policies**

All businesses are subject to risks and many individual risks are macro-economic or social and common across many businesses. The key risks are those which could materially damage the company's strategy, reputation, business, profitability or assets. The principal financial risks to which the company is exposed are those of liquidity, market condition, credit, cashflow and foreign currency. Each of these risks are managed in accordance with board approved policies which are set out below. This list is in no particular order and is not an exhaustive list of all potential risks. Some risks may be unknown and it may transpire that others currently considered immaterial become material.

#### **Liquidity Risk:**

The company manages liquidity risk by maintaining access to a number of sources of funding which are sufficient to meet anticipated funding requirements. Specifically, the company uses export line facility and forward exchange contract facility from a bank. The directors review the company's on going liquidity risks regularly and constantly keep a tab on debtors receivable and creditors payable.

#### **Economic, market and price risk:**

The company's performance is directly impacted by the economic environment. The company operates in a highly competitive market and price competition can adversely affect the company's result. The company endeavour to manage price risk by placing purchase order with supplier only after some degree of assurance is achieved for the sale of the goods being ordered. The company also aims to maintain only a minimum level of stock in hand.

#### **Credit Risk:**

The company is at risk of exposure to financial losses should a counter party fail to meet its obligations as and when they fall due. The credit risk is managed by setting credit limits as deemed appropriate for each customer. Where appropriate, the company endeavours to minimise risks by the use of trade finance instruments such as letters of credit.

#### **Cash flow Risk:**

The company is reliant on timely receipts from customers and short term borrowings from banks to manage its cash flow. The directors closely monitor and actively manage cash flow position.

#### **Foreign currency Risk:**

The company has transactional currency exposures arising from sales and purchases in foreign currencies. The company hedges some of the foreign currency risk by using forward exchange contracts and also by operating US dollar and Euro bank accounts to mitigate the exchange risk.

# GLOBAL METCORP LIMITED

## STRATEGIC REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### Non - adjusting post balance sheet events

##### Impact of Brexit

The UK is due to leave the European Union ('EU') on 31 January 2020. There will then be a transitional period, due to run to 31 December 2020, during which the UK will no longer be a member of the EU but will still be subject to EU rules and remain a member of the Customs Union. During the transition period, the UK and EU will negotiate the rules to be applied to our future trading and other relationships. The UK can request, and the EU will grant, an extension to the transition period of up to another two years (so long as this is done by 30 June 2020) if it appears that negotiations are taking longer than expected. Ultimately, a no-trade deal Brexit remains a possible outcome.

Directors have considered the impact of Britain leaving the European Union and customs union, they have concluded that the impact of such outcome will be insignificant on the business of the company since the company's main source of revenue is from countries outside the EU.

##### Impact of Covid19

On 11 March 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak to be a pandemic in recognition of its rapid spread across the globe, with over 200 countries now affected. Many governments are taking increasingly stringent steps to help contain or delay the spread of the virus. Currently, there is a significant increase in economic uncertainty which is, for example, evidenced by more volatile asset prices and currency exchange rates.

For the Company's 31 March 2020 financial statements, the Coronavirus outbreak and the related impacts are considered an adjusting event. The directors have assessed the impact on the recognition and measurement of assets and liabilities. Due to the uncertainty of the outcome of the current events, the Company cannot reasonably estimate the impact these events will have on the Company's financial position, results of operations or cash flows in the future. There have been no other circumstances arising since 31 March 2020 that have significantly affected or may significantly affect:

- (a) The operations,
- (b) The results of those operations

*Ashish Chaudhari*

Mr A Chaudhari  
**Director**  
14 April 2021

# GLOBAL METCORP LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2020

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

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A Chaudhari  
Mr R Choudhary  
Mr G Chaudhary

#### Results and dividends

The results for the year are set out on page 11.

Ordinary dividends were paid amounting to £120,000. The directors do not recommend payment of a final dividend.

#### Post reporting date events

Particulars of events after the reporting date are detailed in note 27 to the financial statements.

#### Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

#### Statement of directors' responsibilities

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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

# **GLOBAL METCORP LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 MARCH 2020**

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#### **Section 172 (1) Statement**

##### **Environmental liabilities**

The company conducts its operations in such a manner as to ensure compliance with environmental laws and regulations. If events occur where actions are necessary to maintain compliance, the company will devote suitable resources to the issue in order to remedy the situation.

##### **Employees**

The company's operations are based in one office in Harrow, Middlesex. The management team employed is small and the company recognises the importance of this resource and as such reviews its remuneration and recruitment policies on a regular basis. The company seeks to keep its employees up to date about matters affecting them as employees and information is provided through internal communications regularly. Details of the number of employees and related costs can be found in note 8 to the financial statements.

##### **High standards of business conduct**

The management team recognise the need to conduct business in a way that is ethical, compliant and to a high standard. The business is governed around a higher framework, with appropriate training on correct business conduct where required. The business is governed around key values, of which integrity and transparency are key.

##### **Customer and supplier relationships**

The directors recognise the need for strong and mutually beneficial relationships with customers and suppliers. The directors, purchasing and sales teams ensure that they are in regular contact with their suppliers and customers by continuous engagement and site visits to supplier yards or customer mills with a view to creating and nurturing long term partnerships. The activities carried out in development of these partnerships are reported regularly to the management team.

##### **Health and safety**

Providing a safe working environment is a key priority for the company. The company regularly assesses safety checks and implements them as required.

##### **Going Concern**

The directors consider the company has adequate resources to continue to operate in the foreseeable future. The company's trade facilities are due for renewal in May 2021 with Santander Bank, and February 2022 with HSBC Bank. The banks have recourse to any funds advanced to the company as they hold title to the goods. The directors expect that the facilities will be renewed at the renewal dates and together with an expectation that the business is expected to perform at a similar level in the future, they do not foresee an issue from a going concern perspective

##### **Strategic report**

The company has chosen in accordance with Companies Act 2006, s. 414C(II) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the director's report. It has done so in respect of risks to financial instruments and is included within principal risks and uncertainties, of which the main ones are foreign exchange and liquidity risk.



## **GLOBAL METCORP LIMITED**

### **DIRECTORS' REPORT (CONTINUED)** **FOR THE YEAR ENDED 31 MARCH 2020**

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#### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

*Ashish Chaudhari*

Mr A Chaudhari  
**Director**

14 April 2021

# GLOBAL METCORP LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF GLOBAL METCORP LIMITED

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#### Opinion

We have audited the financial statements of Global Metcorp Limited (the 'company') for the year ended 31 March 2020 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 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 March 2020 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'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

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the company's business model including effects arising from Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

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.

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.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

# **GLOBAL METCORP LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF GLOBAL METCORP LIMITED**

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### **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.

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

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

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

### **Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of audit, we have not identified material misstatements in the strategic report of the director's report.

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

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 directors' responsibilities statement, 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.

## **GLOBAL METCORP LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF GLOBAL METCORP LIMITED**

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#### **Auditor's responsibilities for the audit of the financial statements**

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

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

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

#### **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.



**Sergio Cardoso (Senior Statutory Auditor)  
For and on behalf of Grant Thornton UK LLP**

Chartered Accountants & Statutory Auditor  
30 Finsbury Square  
EC2A 1AG  
London

14 April 2021

**GLOBAL METCORP LIMITED****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	2019 £
<b>Turnover</b>	<b>3</b>	343,305,517	381,274,182
Cost of sales		(340,161,935)	(378,260,874)
<b>Gross profit</b>		3,143,582	3,013,308
Administrative expenses		(1,479,105)	(1,123,588)
<b>Operating profit</b>	<b>4</b>	1,664,477	1,889,720
Interest receivable and similar income	<b>8</b>	99,601	95,930
Interest payable and similar expenses	<b>9</b>	(166,341)	(118,026)
<b>Profit before taxation</b>		1,597,737	1,867,624
Tax on profit	<b>10</b>	(316,514)	(366,106)
<b>Profit for the financial year</b>		1,281,223	1,501,518

The income statement has been prepared on the basis that all operations are continuing operations.  
There are no other comprehensive income for 2020 (2019:£NIL)

**GLOBAL METCORP LIMITED****STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2020**

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	12		29,133		37,621
Investments	13		50		50
			<u>29,183</u>		<u>37,671</u>
<b>Current assets</b>					
Stocks	14	8,736,210		6,742,591	
Debtors	15	50,535,391		38,595,231	
Cash at bank and in hand		1,262,313		1,273,970	
		<u>60,533,914</u>		<u>46,611,792</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(47,408,204)</u>		<u>(34,655,018)</u>	
<b>Net current assets</b>			<u>13,125,710</u>		<u>11,956,774</u>
<b>Total assets less current liabilities</b>			<u>13,154,893</u>		<u>11,994,445</u>
<b>Creditors: amounts falling due after more than one year</b>	17		(458,000)		(458,000)
<b>Provisions for liabilities</b>	20		(4,608)		(5,383)
<b>Net assets</b>			<u><u>12,692,285</u></u>		<u><u>11,531,062</u></u>
<b>Capital and reserves</b>					
Called up share capital	23	250,600		250,600	
Profit and loss reserves	24	12,441,685		11,280,462	
<b>Total equity</b>			<u><u>12,692,285</u></u>		<u><u>11,531,062</u></u>

The financial statements were approved by the board of directors and authorised for issue on 14 April 2021 and are signed on its behalf by:

*Ashish Chaudhari*

Mr A Chaudhari  
Director

Company Registration No. 04278981

**GLOBAL METCORP LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2018</b>		250,600	9,898,944	10,149,544
<b>Year ended 31 March 2019:</b>				
Profit and total comprehensive income for the year		-	1,501,518	1,501,518
Dividends	11	-	(120,000)	(120,000)
<b>Balance at 31 March 2019</b>		250,600	11,280,462	11,531,062
<b>Year ended 31 March 2020:</b>				
Profit and total comprehensive income for the year		-	1,281,223	1,281,223
Dividends	11	-	(120,000)	(120,000)
<b>Balance at 31 March 2020</b>		250,600	12,441,685	12,692,285

**GLOBAL METCORP LIMITED****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	30	(6,797,122)		(7,373,904)	
Interest paid		(166,341)		(118,026)	
Income taxes paid		(359,998)		(360,001)	
<b>Net cash outflow from operating activities</b>		<b>(7,323,461)</b>		<b>(7,851,931)</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(1,223)		(19,293)	
Interest received		99,601		95,930	
<b>Net cash generated from investing activities</b>			<b>98,378</b>		<b>76,637</b>
<b>Financing activities</b>					
Proceeds from loans from group undertakings		12,687		(30,572)	
Proceeds from loans from participating interests		(367,739)		367,739	
Proceeds from borrowings		-		(21,344)	
Bank loans		7,058,815		10,292,288	
Dividends paid		(120,000)		(120,000)	
<b>Net cash generated from financing activities</b>			<b>6,583,763</b>		<b>10,488,111</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>			<b>(641,320)</b>		<b>2,712,817</b>
Cash and cash equivalents at beginning of year			<b>1,273,970</b>		<b>(1,438,847)</b>
<b>Cash and cash equivalents at end of year</b>			<b>632,650</b>		<b>1,273,970</b>
<b>Relating to:</b>					
Cash at bank and in hand			<b>1,262,313</b>		<b>1,273,970</b>
Bank overdrafts included in creditors payable within one year			<b>(629,663)</b>		<b>-</b>



# GLOBAL METCORP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

##### Company information

Global Metcorp Limited is a private company limited by shares incorporated in England and Wales. The registered office is 55 Lowlands Road, Grove House, Harrow on the Hill, MIDDLESEX, HA1 3AW.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in Sterling (£), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

The directors consider the company has adequate resources to continue to operate in the foreseeable future. The company's trade facilities are due for renewal in May 2021 with Santander Bank, and February 2022 with HSBC Bank. The banks have recourse to any funds advanced to the company as they hold title to the goods. The directors expect that the facilities will be renewed at the renewal dates and together with an expectation that the business is expected to perform at a similar level in the future, they do not foresee an issue from a going concern perspective.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Sale of goods comprises of sales of various grades and quantities of secondary and scrap ferrous metal

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income, including income arising from finance leases and other financial instruments, is recognised using the effective interest method.

#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings and equipment	25% reducing balance
Leasehold property	20% straight line

# GLOBAL METCORP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

##### Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

##### Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# GLOBAL METCORP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

(Continued)

Where a reasonable and consistent basis of allocation can be identified, assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# GLOBAL METCORP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

(Continued)

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# GLOBAL METCORP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

(Continued)

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# GLOBAL METCORP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.12 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### **1.14 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### **1.15 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

#### **1.16 Comparatives**

Comparative figures have been changed to conform with this year's presentation.

# GLOBAL METCORP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

No significant judgements, estimates and assumptions were made, apart from those involving estimations that management has made in the process of applying the entity's accounting policies, that have a significant effect on the amounts recognised in the financial statements.

#### 3 Turnover and other revenue

	2020 £	2019 £
<b>Turnover analysed by class of business</b>		
Sale of goods	343,305,517	381,002,982
Interest	-	271,200
	<u>343,305,517</u>	<u>381,274,182</u>
	2020 £	2019 £
<b>Other significant revenue</b>		
Interest income	99,601	95,930
	<u>99,601</u>	<u>95,930</u>
	2020 £	2019 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	1,075,760	913,826
Overseas	342,229,757	380,360,356
	<u>343,305,517</u>	<u>381,274,182</u>

#### 4 Operating profit

	2020 £	2019 £
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(47,733)	5,395
Depreciation of owned tangible fixed assets	9,711	12,540
Impairment of trade receivables	-	101,006
Operating lease charges	34,460	34,524
	<u>34,460</u>	<u>34,524</u>

**GLOBAL METCORP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****5 Auditor's remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	20,500	24,000
	<u>20,500</u>	<u>24,000</u>

**6 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Administrative staff	14	14
Management staff	3	3
	<u>17</u>	<u>17</u>
<b>Total</b>	<u>17</u>	<u>17</u>

Their aggregate remuneration comprised:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	488,206	405,994
Social security costs	38,016	35,919
Pension costs	8,289	3,811
	<u>534,511</u>	<u>445,724</u>

**7 Directors' remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	31,500	30,000
	<u>31,500</u>	<u>30,000</u>

The highest paid Director received total remuneration of £18,000 (2019: £15,000). In addition the director received pension contribution of £326 (2019: £Nil).



**GLOBAL METCORP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020****8 Interest receivable and similar income**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Interest income</b>		
Interest on bank deposits	2,504	3,651
Other interest income	97,097	92,279
	<u>99,601</u>	<u>95,930</u>
<b>Total income</b>	<u>99,601</u>	<u>95,930</u>

**9 Interest payable and similar expenses**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	83,982	40,566
Dividends on redeemable preference shares not classified as equity	54,960	54,960
	<u>138,942</u>	<u>95,526</u>
<b>Other finance costs:</b>		
Other interest	27,399	22,500
	<u>166,341</u>	<u>118,026</u>

**Exchange difference**

Exchange difference recognised in Income Statement:

Exchange loss	-	5,395
Exchange gain	(47,733)	-
	<u>(47,733)</u>	<u>5,395</u>

**10 Taxation**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	317,290	365,140
	<u>317,290</u>	<u>365,140</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(776)	966
	<u>(776)</u>	<u>966</u>
<b>Total tax charge</b>	<u>316,514</u>	<u>366,106</u>

**GLOBAL METCORP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****10 Taxation****(Continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Profit before taxation	1,597,737	1,867,624
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	303,570	354,849
Tax effect of expenses that are not deductible in determining taxable profit	12,079	11,822
Adjustments in respect of prior years	-	(2,097)
Depreciation on assets not qualifying for tax allowances	1,845	3,914
Capital allowances	(204)	(2,382)
Reversal of timing differences	(776)	-
Taxation charge for the year	316,514	366,106

**11 Dividends****Dividends paid during the year:**

	2020 Per share £	2019 Per share £	2020 Total £	2019 Total £
Dividends on equity shares	0.48	0.48	120,000	120,000
	0.48	0.48	120,000	120,000
Dividends on shares classed as debt			54,960	54,960
			54,960	54,960
			174,960	174,960

**GLOBAL METCORP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****12 Tangible fixed assets**

	Leasehold property	Fixtures, fittings and equipment	Total
	£	£	£
<b>Cost</b>			
At 1 April 2019	63,349	171,308	234,657
Additions	-	1,223	1,223
At 31 March 2020	63,349	172,531	235,880
<b>Depreciation and impairment</b>			
At 1 April 2019	63,349	133,687	197,036
Depreciation charged in the year	-	9,711	9,711
At 31 March 2020	63,349	143,398	206,747
<b>Carrying amount</b>			
At 31 March 2020	-	29,133	29,133
At 31 March 2019	-	37,621	37,621

**13 Fixed asset investments**

	2020	2019
	£	£
Unlisted investments	50	50

The above investment represents 50% ownership in the ordinary share capital of Grove House Harrow Limited, a company incorporated in England & Wales. Under the provision of section 400 of the Companies Act 2006 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity. The company's interest in Grove House Harrow Limited will be consolidated in the group accounts of Greta Investments Ltd, the ultimate parent undertaking. During the year, the company did not receive any dividend income from Grove House Harrow Limited, hence no income has been recognised.

**Movements in fixed asset investments**

	Investments other than loans
	£
<b>Cost or valuation</b>	
At 1 April 2019 & 31 March 2020	50
<b>Carrying amount</b>	
At 31 March 2020	50
At 31 March 2019	50

**GLOBAL METCORP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****14 Stocks**

	2020 £	2019 £
Finished goods and goods for resale	8,736,210	6,742,591

**15 Debtors**

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	31,429,615	30,580,059
Loans receivable	1,605,807	1,533,447
Amounts owed by group undertakings	50,611	50,611
Amounts owed by undertakings in which the company has a participating interest	30,750	495,500
Amounts owed by related parties	594,610	1,172,722
Other debtors	16,769,860	4,762,892
Directors' current accounts	30,411	
Prepayments and accrued income	23,727	-
	<u>50,535,391</u>	<u>38,595,231</u>

**16 Creditors: amounts falling due within one year**

	2020 £	2019 £
	Notes	
Bank loans and overdrafts	18	17,980,766
Payments received on account		183,565
Trade creditors		21,478,098
Amounts owed to group undertakings		499,365
Amounts owed to related parties		367,739
Corporation tax		105,655
Other taxation and social security		12,830
Other creditors		5,642,244
Accruals and deferred income		1,505,681
		<u>47,408,204</u>
		<u>34,655,018</u>

Bank overdraft is secured by fixed and floating charge over the assets of the company and the assets of Ardour World Limited, a related company, and Grove House Harrow Limited, an associated company, by way of an unlimited cross guarantee. Mr A Chaudhari, a director, and Mr S Goyal, a director of Ardour World Ltd have also provided a joint personal guarantee of US\$500,000.

**GLOBAL METCORP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****17 Creditors: amounts falling due after more than one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Shares classed as financial liabilities	458,000	458,000

Shares classed as financial liabilities relates to non-cumulative redeemable preference shares which are redeemable before the year 2035 following a 3 months notice period.

**18 Loans and overdrafts**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans	17,351,103	10,292,288
Bank overdrafts	629,663	-
	<u>17,980,766</u>	<u>10,292,288</u>
Payable within one year	<u>17,980,766</u>	<u>10,292,288</u>

**19 Other creditors falling due after one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Shares classed as financial liabilities	458,000	458,000

**20 Provisions for liabilities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Deferred tax liabilities	4,608	5,383

**21 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	<b>Liabilities</b>	<b>Liabilities</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Balances:</b>		
Accelerated capital allowances	4,608	5,383

**GLOBAL METCORP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****21 Deferred taxation (Continued)**

	<b>2020</b>
	<b>£</b>
<b>Movements in the year:</b>	
Liability at 1 April 2019	5,383
Credit to profit or loss	(775)
Liability at 31 March 2020	<u>4,608</u>

The deferred tax liability set out above is expected to reverse within 48 months and relates to accelerated capital allowances that are expected to mature within the same period.

**22 Retirement benefit schemes**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>8,289</u>	<u>3,811</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £8,289 (2019: £3,811).

**23 Share capital**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Authorised ordinary share capital</b>		
1,000,000 Ordinary shares of of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
	<u>1,000,000</u>	<u>1,000,000</u>
<b>Issued, called up and fully paid</b>		
<b>Amounts presented in equity</b>		
250,600 Ordinary shares of of £1 each	<u>250,600</u>	<u>250,600</u>
	<u>250,600</u>	<u>250,600</u>

**GLOBAL METCORP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020****23 Share capital** (Continued)

	2020 £	2019 £
<b>Preference share capital</b>		
<b>Issued, called up and fully paid</b>		
<b>Amounts presented in liabilities</b>		
458,000 Preference shares of of £1 each	458,000	458,000
	<u>458,000</u>	<u>458,000</u>
Preference shares classified as liabilities	458,000	458,000
	<u>458,000</u>	<u>458,000</u>

Ordinary shares

Ordinary shares have attached to them full voting, dividend and capital distribution rights, including on winding up.

Preference shares

Preference shares are non-cumulative shares and are redeemable at the option of the company on or before the year 2035 by giving a three months notice to shareholders. These shares do not have confer voting rights and rights to capital distribution on winding up.

**24 Reserves****Profit and loss reserves**

The retained earnings consists of company's accumulated profits and losses less dividends paid.

**25 Financial commitments, guarantees and contingent liabilities**

The company did not have any other financial commitments, guarantees or contingent liabilities at year end other than those disclosed under creditors.

**26 Operating lease commitments****Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	34,250	34,250
Between two and five years	95,712	129,962
	<u>129,962</u>	<u>164,212</u>

**27 Events after the reporting date**

No reportable events have occurred after the date of the balance sheet.

**GLOBAL METCORP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****28 Related party transactions****Transactions with related parties**

During the year the company entered into the following transactions with related parties:

	<b>Sales</b>		<b>Purchases</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Entities with control, joint control or significant influence over the company	7,593,834	330,040	7,889,229	35,484,147

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Entities with control, joint control or significant influence over the company - Loans	-	(156,326)

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Amounts due to related parties</b>		
Entities with control, joint control or significant influence over the company	(594,610)	(558,575)

The following amounts were outstanding at the reporting end date:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Amounts due from related parties</b>		
Entities with control, joint control or significant influence over the company	-	236,808

**Other information**

The company has taken advantage of the exemption not to disclose balances or transactions with wholly owned members of Greta Investments Ltd, the ultimate parent undertaking.

Grove House Harrow Limited (GHHL) associate (50% holding) jointly owned by the company with Ardour World Limited. The company has acquired a short lease from GHHL its office premises at an annual rent of £68,500 (2019:£68,500) per annum in a joint tenancy with Ardour World Ltd.

During the year the company paid £45,750 (2019: £34,524) to Grove House Harrow Ltd towards the rent and service charges for leased office premises, the balance outstanding at the year end was £Nil (2019: £9,600).

During the year the company provided unsecured and interest free loan of £Nil (2019:£367,500) to GHHL. The balance of loan outstanding at the balance sheet date was £30,750 (2019:£495,500).



**GLOBAL METCORP LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2020****29 Directors' transactions**

Ordinary and Preference dividends totalling £174,960 (2019 - £174,960) were paid in the year in respect of Ordinary and Preference shares held by the company's directors.

	Ordinary dividends £	Preference dividends £
A Chaudhari	120,000	-
R Choudhary	-	27,960
G Chaudhary	-	27,000
	<u>120,000</u>	<u>54,960</u>

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Mr A Chaudhari -	-	-	80,000	(80,000)	-
Mr R Choudhary -	-	-	15,471	-	15,471
Mr G Chaudhary -	-	-	57,940	(43,000)	14,940
		<u>-</u>	<u>153,411</u>	<u>(123,000)</u>	<u>30,411</u>

**30 Cash absorbed by operations**

	2020 £	2019 £
Profit for the year after tax	1,281,223	1,501,518
<b>Adjustments for:</b>		
Taxation charged	316,514	366,106
Finance costs	166,341	118,026
Investment income	(99,601)	(95,930)
Depreciation and impairment of tangible fixed assets	9,711	12,540
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(1,993,619)	1,710,184
Increase in debtors	(11,940,160)	(6,899,698)
Increase/(decrease) in creditors	5,529,295	(5,639,657)
(Decrease)/increase in Accrued expenses	(66,826)	1,553,007
<b>Cash absorbed by operations</b>	<u>(6,797,122)</u>	<u>(7,373,904)</u>