

Benteler Distribution Limited

**Annual report and financial
statements**

Registered number 456349

For the year ended 31 December 2017



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Strategic report

The company is a wholly-owned subsidiary of Benteler International AG and operates as part of the group's steel tube distribution division.

The company's principal activities are the sale and processing of carbon steel tube to the engineering industry in the UK and Eire. There have not been any significant changes in the company's principal activities in the year under review. The directors are not, at the date of this report, aware of any likely major changes in the company's activities in the next year.

Benteler International AG, of which the company is a part, invests in research and development activities appropriate to the nature and size of its operations with the aim of supporting the future development of the group.

As shown in the company's statement of profit and loss and other comprehensive income on page 7, the company's turnover has increased by 7.5% over the prior year and profit before tax has decreased by 99%. The major factors resulting in the decrease in profit before tax was the decline in margin.

There have been no significant events since the balance sheet date which should be considered for a proper understanding of these financial statements.

Benteler International AG manages its operations on a divisional basis. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Distribution division of Benteler International AG, which includes the company, is discussed in Benteler International AG's Annual Report which does not form part of this report.

Principal risks and uncertainties

Competitive pressure from countries with a low labour cost base is a continuing risk for the company, which could result in it losing sales to its key competitors. To manage this risk, the company strives to provide added-value products and services to its customers; prompt response times in the supply of products and services and in the handling of customer queries; and through the maintenance of strong relationships with customers.

The company buys products from international markets and it is therefore exposed to currency movements on such purchases, the company also sells products into the European Economic Community and is exposed to similar currency movements. Where appropriate, the company manages this risk with forward foreign exchange contracts in line with Benteler's treasury policies.

The company's businesses may be affected by fluctuations in the price and supply of key raw materials, although purchasing policies and practices seek to mitigate, where practicable, such risks.

The company is financed by a group borrowing facility and pays interest at a fixed rate above LIBOR.

The group risks to which Benteler International AG is exposed are discussed in Benteler International AG's Annual Report which does not form part of this report.

Going Concern

By assessing the responses of the directors of the Company's ultimate parent, Benteler International AG, there is no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Group to continue as a going concern or its ability to continue with the current funding arrangements.

On the basis of an assessment of the Company's financial position and of the enquiries made of the directors of Benteler International AG, there is a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus, the going concern basis of accounting is adopted in preparing the annual financial statements.

Environment

Benteler International AG recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to mitigate any adverse impact that might be caused by its activities. The company operates in accordance with these policies, as noted in Benteler International AG's Annual Report, which does not form part of this report. Initiatives aimed at minimising the company's impact on the environment include safe disposal of manufacturing waste, recycling and reducing energy consumption.

Strategic report *(continued)*

Dividend

A dividend of £1 million was paid during the year (2016: £Nil).

Employee consultation

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 various factors affecting the performance of the company. This is achieved through formal and informal meetings. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.


Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Political and charitable contributions

The Company made no political contributions during the year (2016: £Nil). Donations to UK charities amounted to £100 (2016: £50).

By order of the board



A Harris
Secretary

4 April 2018

Directors' report

The directors present their report and audited financial statements for the year ended 31 December 2017.

Directors

The directors who held office during the year and subsequently were as follows:

R Heath

JA Massenberg (resigned 30 September 2017)

R Higginbottom

T Beer (appointed 30 September 2017)

Qualifying third party indemnity provision

Throughout the year and up to the date of this report the company maintained third party indemnity insurances for the directors.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



A Harris
Secretary

Crompton Way
Bolton
BL1 8TY

4 April 2018

Statement of directors' responsibilities in respect of the Strategic report, Directors' report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) 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 estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
United Kingdom

Independent auditor's report to the members of Benteler Distribution Limited

Opinion

We have audited the financial statements of Benteler Distribution Limited ("the company") for the year ended 31 December 2017 which comprise the Statement of profit or loss and other comprehensive income, Statement of financial position, Statement of cash flows, Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

We have nothing to report in these respects.

Independent auditor's report to the members of Benteler Distribution Limited

(continued)

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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



Stuart Wood (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

4 April 2018

Statement of profit and loss and statement of comprehensive income
for the year ended 31 December 2017

	<i>Note</i>	2017 £	2016 £
Revenue	<i>1,2</i>	28,446,449	26,466,951
Cost of sales		(20,431,859)	(17,743,289)
Gross profit		8,014,590	8,723,662
Distribution expenses		(1,488,800)	(1,592,297)
Administrative expenses		(4,006,193)	(3,802,305)
Other operating expenses		(2,332,262)	(2,131,339)
Operating profit		187,335	1,197,721
Financial expenses	<i>6</i>	(181,128)	(148,644)
Profit before tax		6,207	1,049,077
Taxation	<i>7</i>	(25,841)	(205,738)
(Loss)/profit for the financial year		(19,634)	843,339
<i>Items that are or may be reclassified to profit or loss:</i>			
Effective portion of changes in value of cash flow hedges		182	(185,652)
Income tax (credit)/charge on items that are or may be reclassified to profit or loss		(3,479)	36,773
Other comprehensive income for the year		(3,297)	(148,879)
Total comprehensive income for the year		(22,931)	694,460

All operations of the company relate to continuing activities.

The notes on page 11 to 30 form part of these financial statements.

Statement of financial position
at 31 December 2017

	<i>Note</i>	2017 £	2016 £
Assets			
Non-current assets			
Property, plant and equipment	8	3,579,597	3,788,114
Investment in subsidiaries	9	-	-
		<u>3,579,597</u>	<u>3,788,114</u>
Current assets			
Inventories	11	6,705,653	6,121,680
Trade and other receivables	12	7,785,896	6,193,112
Cash and cash equivalents	13	417,832	428,165
		<u>14,909,381</u>	<u>12,742,957</u>
Total assets		<u><u>18,488,978</u></u>	<u><u>16,531,071</u></u>
Liabilities			
Current liabilities			
Trade and other payables	14	(10,031,520)	(10,674,265)
Tax payable		(44,977)	(212,875)
		<u>(10,076,497)</u>	<u>(10,887,140)</u>
Non current liabilities			
Deferred tax liabilities	10	(175,038)	(183,557)
Other interest bearing loans and borrowings	15	(3,800,000)	-
		<u>(4,000,000)</u>	<u>(183,557)</u>
Total liabilities		<u><u>(14,051,535)</u></u>	<u><u>(11,070,697)</u></u>
Net assets		<u><u>4,437,443</u></u>	<u><u>5,460,374</u></u>
Equity			
Share capital	17	1,000,000	1,000,000
Revaluation reserves	17	512,787	518,623
Cash flow hedging reserve		(13,187)	(9,890)
Retained earnings		2,937,843	3,951,641
		<u>4,437,443</u>	<u>5,460,374</u>
Total equity		<u><u>4,437,443</u></u>	<u><u>5,460,374</u></u>

The notes on page 11 to 30 form part of these financial statements.

These financial statements were approved by the board of directors on 4 April 2018 and were signed on its behalf by:



R Heath
Director

Company register number: 456349

Statement of changes in equity
for the year ended 31 December 2017

	Share capital £	Revaluation reserve £	Cash flow hedging reserve £	Retained earnings £	Total
Balance at 1 January 2016	1,000,000	524,459	138,989	3,102,466	4,765,914
Total comprehensive income for the year					
Profit for the year	-	-	-	843,339	843,339
Other comprehensive income	-	-	(148,879)	-	(148,879)
Total comprehensive income	-	-	(148,879)	843,339	694,460
<i>Other movements</i>					
Transfer from revaluation reserve	-	(5,836)	-	5,836	-
Total movements	-	(5,836)	(148,879)	849,175	694,460
Balance at 31 December 2016	1,000,000	518,623	(9,890)	3,951,641	5,460,374
Balance at 1 January 2017	1,000,000	518,623	(9,890)	3,951,641	5,460,374
Total comprehensive income for the year					
Loss for the year	-	-	-	(19,634)	(19,634)
Other comprehensive income	-	-	(3,297)	-	(3,297)
Total comprehensive income	-	-	(3,297)	(19,634)	(22,931)
<i>Other movements</i>					
Transfer from revaluation reserve	-	(5,836)	-	5,836	-
Distributions to the owners					
Dividend paid	-	-	-	(1,000,000)	(1,000,000)
Balance at 31 December 2017	1,000,000	512,787	(13,187)	2,937,843	4,437,443

The notes on page 11 to 30 form part of these financial statements.

Statement of cash flows
for year ended 31 December 2017

	<i>Note</i>	2017 £	2016 £
Cash flows from operating activities			
(Loss) / profit for the year		(19,634)	843,339
<i>Adjustments for:</i>			
Depreciation	8	463,639	409,804
Financial expense	6	181,128	148,644
Impact of foreign exchange		-	(108,251)
Taxation	7	25,841	205,738
Profit on disposal of property, plant and equipment	3	(3,629)	(24,396)
Operating cash flows before changes in working capital and provisions		647,345	1,474,878
Net movement in trade and other receivables		(1,596,081)	(1,101,504)
Net movement in inventories		(583,973)	(372,543)
Net movement in trade and other payable		(642,745)	352,401
Net movement in provisions		-	(17,516)
Cash (used) / generated from operations		(2,175,454)	335,716
Interest paid		(181,128)	(148,644)
Tax (paid)/received		(202,258)	71,732
Net cash (outflow) / inflow from operating activities		(2,558,840)	258,804
Cash flows from investing activities			
Proceeds from the sale of plant		4,160	82,900
Acquisition of property, plant and equipment	8	(255,653)	(792,455)
Net cash used in investing activities		(251,493)	(709,555)
Cash flows from financing activities			
Dividend paid		(1,000,000)	-
Proceeds from loan drawn		3,800,000	-
Net cash generated from financing activities		2,800,000	-
Net decrease in cash and cash equivalents		(10,333)	(450,751)
Cash and cash equivalents at beginning of year		428,165	878,916
Cash and cash equivalents at end of year	13	417,832	428,165

The notes on page 11 to 30 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Benteler Distribution Limited (the "Company") is a private company incorporated, domiciled and registered in England. The registered number is 456349 and the registered address is New Progress Works, Crompton Way, Bolton BL1 8TY.

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union as they apply to the financial statements of the Company for the year ended 31 December 2017 and applied in accordance with the Companies Act 2006. The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2017.

The Company's financial statements are presented in sterling and all values are to the nearest pound except when otherwise indicated.

1.1 Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the business review section of the Strategic report on page 1 in these financial statements.

The directors, having assessed the responses of the directors of the Company's ultimate parent, Benteler International AG, to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the group to continue as a going concern or its ability to continue with the current funding arrangements.

On the basis of their assessment of the Company's financial position and of the enquiries made of the directors of Benteler International AG, the company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.2 Measurement convention

The financial statements are prepared on the historical cost basis except that derivative financial instruments are stated at their fair value. Non-current asset are stated at the lower of previous carrying amount and fair value less costs to sell.

1.3 Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

1.4 Investments

Investments in subsidiaries are carried at cost less impairment.

Notes (continued)

1 Accounting policies (continued)

1.5 Classification of financial instruments issued by the company

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.6 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses with the exception of land and buildings which are carried at revalued amount less subsequent depreciation and impairment.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

Buildings	- 50 years
Plant, and equipment, fixtures and fittings	- 5 to 15 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

1.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the weighted average principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

1.8 Trade and other receivables

Trade and other receivables are stated at their nominal amount (discounted if material) less impairment losses.

1.9 Trade and other payables

Trade and other payables are stated at their nominal amount (discounted if material).

1.10 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

Notes (continued)

1 Accounting policies (continued)

1.11 Derivative instruments and hedging

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

Cash flow hedge

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in the hedging reserve. Any ineffective portion of the hedge is recognised immediately in the income statement.

If a hedge of a forecast transaction subsequently results in the recognition of a financial asset or a financial liability, the associated gains and losses that were recognised directly in equity are recycled into profit or loss in the same period or periods during which the asset acquired assumed affects profit or loss.

When a hedging instrument expires or is sold, terminated or exercised, or the entity revoked designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in the income statement immediately.

Fair value hedges

Where a derivative financial instrument is designated as a hedge of the variability in fair value of a recognised asset or liability or an unrecognised firm commitment, all changes in the fair value of the derivative are recognised immediately in the income statement. The carrying value of the hedged item is adjusted by the change in fair value that is attributable to the risk being hedged (even if it is normally carried at cost or amortised cost) and any gains or losses on remeasurement are recognised immediately in the income statement (even if those gains would normally be recognised directly in reserves).

1.12 Impairment

The carrying amounts of the Company's assets other than inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

1.13 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods which services are rendered by employees.

Notes (continued)

1 Accounting policies (continued)

1.14 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

1.15 Revenue

Revenue from the sale of goods is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer, that is, normally in connection with delivery.

Revenue represents the amounts derived from the provision of goods and services which fall within the Company's ordinary activities, stated net of Value Added Tax.

Revenue and pre-tax loss, all of which arises in the United Kingdom, is attributable to one activity, the processing and distribution of mechanical and hydraulic precision steel tubes.

1.16 Expenses

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Finance income and expenses

Net financing costs comprise interest payable, interest receivable on funds invested, foreign exchange gains and losses that are recognised in the income statement.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

1.17 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Notes (continued)

1 Accounting policies (continued)

1.18 Standards not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2017 and earlier application is permitted; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

The Company is currently assessing the impact of IFRS 16 on its financial statements. For the others, based on the Company's assessment, a material impact is not expected on the Company's financial statements in the period of initial application.

• IFRS 9 – Financial Instruments

IFRS 9 Financial Instruments sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

i. Classification – Financial assets

IFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics.

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, FVOCI and FVTPL. The standard eliminates the existing IAS 39 categories of held to maturity, loans and receivables and available for sale.

Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never bifurcated. Instead, the hybrid financial instrument as a whole is assessed for classification.

Based on its assessment, the Company does not believe that the new classification requirements will have a material impact on its accounting for financial assets, since it has not designated any financial assets as FVOCI or FVTPL. The Company only has financial assets currently classified as loans and receivables, which will continue to be recorded at amortised cost as per IFRS 9.

ii. Impairment – Financial assets

IFRS 9 replaces the 'incurred loss' model in IAS 39 with a forward-looking 'expected credit loss' (ECL) model. This will require considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis.

The new impairment model will apply to financial assets measured at amortised cost or FVOCI, except for investments in equity instruments, and to contract assets.

Under IFRS 9, loss allowances will be measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since initial recognition and 12-month ECL measurement applies if it has not. An entity may determine that a financial asset's credit risk has not increased significantly if the asset has low credit risk at the reporting date. However, lifetime ECL measurement always applies for trade receivables and contract assets without a significant financing component.

Based on experience, the Company does not expect a material impact on adoption of IFRS 9, as the credit risk is presumed to be very low.

Notes (continued)

1 Accounting policies (continued)

1.18 Standards not yet effective (continued)

iii. Classification – Financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification of financial liabilities.

However, under IAS 39 all fair value changes of liabilities designated as at FVTPL are recognised in profit or loss, whereas under IFRS 9 these fair value changes are generally presented as follows:

- the amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI; and
- the remaining amount of change in the fair value is presented in profit or loss.

The Company has not designated any financial liabilities at FVTPL and it has no current intention to do so. The Company's assessment did not indicate any material impact regarding the classification of financial liabilities at 1 January 2018.

iv. Hedge accounting

When initially applying IFRS 9, the Company may choose as its accounting policy to continue to apply the hedge accounting requirements of IAS 39 instead of the requirements in IFRS 9. The Company has not chosen to apply the new requirements of IFRS 9.

v. Disclosures

IFRS 9 will require extensive new disclosures, in particular about hedge accounting, credit risk and ECLs. The Company's assessment included an analysis to identify data gaps against current processes and the Company is in the process of implementing the system and controls changes that it believes will be necessary to capture the required data.

• IFRS 15 – Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes.

i. Sales of goods

For the sale of goods, revenue is currently recognised when the goods are despatched to the customers, which is taken to be the point in time at which the customer accepts the goods and the related risks and rewards of ownership transfer. Revenue is recognised at this point provided that the revenue and costs can be measured reliably, the recovery of the consideration is probable and there is no continuing management involvement with the goods.

Under IFRS 15, revenue will be recognised when a customer obtains control of the goods. Based on the Company's assessment the timing of revenue recognition will continue to be the same once IFRS 15 is applied.

• IFRS 16 – Leases

IFRS 16 replaces existing leases guidance, including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases – Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The standard is effective for annual periods beginning on or after 1 January 2019. Early adoption is permitted for entities that apply IFRS 15 at or before the date of initial application of IFRS 16.

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

The Company is currently assessing the potential impact of IFRS 16 on its financial statements.

Notes (continued)

2 Revenue

Revenue analysed by geographical location

	2017 £	2016 £
UK	26,914,075	25,429,151
Rest of Europe	733,783	546,573
Rest of World	798,591	491,227
Total revenues	<u>28,446,449</u>	<u>26,466,951</u>

3 Expenses and auditor's remuneration

Included in other operating expenses are the following:

	2017 £	2016 £
Depreciation of property, plant and equipment (refer note 8)	463,639	409,804
Operating lease rentals:		
Motor vehicles	196,987	227,232
Other	626,201	685,161
Profit on disposal of property, plant and equipment	(3,629)	(24,396)
Bad and doubtful debts (note 12)	95,000	-

Auditor's remuneration:

Audit of these financial statements	20,000	15,100
Non-audit services	7,210	6,682

4 Staff numbers and costs

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

	Number of employees	
	2017	2016
Sales and distribution	65	64
Administration	18	20
	<u>83</u>	<u>84</u>

The aggregate payroll costs of these persons were as follows:

	£	£
Wages and salaries	2,691,386	2,560,348
Social security costs	258,895	257,133
Contributions to defined contribution plans	224,244	196,154
	<u>3,174,525</u>	<u>3,013,635</u>

Notes (continued)

5 Directors' remuneration

The directors' remuneration were borne by another group company in 2016 and 2017, except for two of the directors employed in the year.

	2017 £	2016 £
Director's emoluments	196,590	162,222
Contributions to defined contribution plans	40,547	26,265

6 Financial expenses

	2017 £	2016 £
Interest payable to group undertakings	(181,128)	(148,644)
Total financial expense	(181,128)	(148,644)

7 Taxation

Recognised in the income statement

	2017 £	2016 £
<i>Current tax expense</i>		
Current year	44,323	212,875
Adjustments for prior years	(6,484)	5,784
Total current tax expense	37,839	218,659
<i>Deferred tax expense</i>		
Origination and reversal of temporary differences	(11,998)	(14,104)
Adjustments for prior year	-	1,183
Total deferred tax	(11,998)	(12,921)
Tax expense in income statement	25,841	205,738

Income tax recognised in other comprehensive income

	2017 £	2016 £
Net (credit)/charge on effective portion of cash flow hedges	(3,479)	36,773

Notes (continued)

7 Taxation (continued)

Reconciliation of effective tax rate

	2017 £	2016 £
Profit before tax	6,207	1,049,077
Tax using the UK corporation tax rate of 19.25% (2016: 20%)	1,195	209,815
Non-deductible expenses	1,743	1,194
Fixed asset differences	28,260	6,174
Adjustments in respect of prior periods	(6,484)	6,967
Temporary differences not recognised in the computation	-	(11,396)
Difference in deferred tax rate	1,127	(7,016)
Total tax in income statement	25,841	205,738

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 December 2017 has been calculated based on these rates.

Notes (continued)

8 Property, plant and equipment

	Land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
Cost				
Balance at 1 January 2016	1,788,779	5,045,007	510,540	7,344,326
Additions	-	680,188	112,266	792,454
Disposals	-	(667,117)	(17,025)	(684,142)
Balance at 31 December 2016	1,788,779	5,058,078	605,781	7,452,638
Balance at 1 January 2017	1,788,779	5,058,078	605,781	7,452,638
Additions	-	210,643	45,010	255,653
Disposals	-	(8,130)	(26,907)	(35,037)
Balance at 31 December 2017	1,788,779	5,260,591	623,884	7,673,254
Depreciation and impairment				
Balance at 1 January 2016	512,461	3,040,777	327,120	3,880,358
Depreciation charge for the year	30,875	316,123	62,806	409,804
Disposals	-	(613,175)	(12,463)	(625,638)
Balance at 31 December 2016	543,336	2,743,725	377,463	3,664,524
Balance at 1 January 2017	543,336	2,743,725	377,463	3,664,524
Depreciation charge for the year	30,199	373,614	59,826	463,639
Disposals	-	(7,599)	(26,907)	(34,506)
Balance at 31 December 2017	573,535	3,109,740	410,382	4,093,657
Net book value				
At 31 December 2016	1,245,443	2,314,353	228,318	3,788,114
At 31 December 2017	1,215,244	2,150,851	213,502	3,579,597

Included above is freehold land amounting to £350,000 (2016: £350,000) on which no depreciation is provided.

Freehold land and buildings were revalued by Matthews and Goodman, Chartered Surveyors, on an open market value basis for existing use on 31 December 1999. Buildings are depreciated in line with company policy.

The directors are not aware of any material change in value and therefore the valuations set out above have not been updated.

Security

No assets are pledged as security.

Notes (continued)

9 Investments in subsidiaries

	Subsidiary undertakings £
<i>Cost and net book value</i>	
At beginning and end of year	-

The Company has the following investments in subsidiaries:

	Registered office address	Class of shares held	Ownership 2017	2016
Lancashire Tube Stockholders Limited	New Progress Works, Crompton Way, Bolton BL1 8TY	Ordinary	100%	100%
Pipe & Tube Supplies Limited	New Progress Works, Crompton Way, Bolton BL1 8TY	Ordinary	100%	100%
Harbour Tubes Limited	New Progress Works, Crompton Way, Bolton BL1 8TY	Ordinary	100%	100%

These companies are dormant.

10 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2017 £	2016 £	2017 £	2016 £	2017 £	2016 £
Property, plant and equipment	-	-	178,180	185,583	178,180	185,583
Other timing differences	(3,142)	(2,026)	-	-	(3,142)	(2,026)
Net tax liabilities/(assets)	(3,142)	(2,026)	178,180	185,583	175,038	183,557

Notes (continued)

10 Deferred tax assets and liabilities (continued)

Movement in deferred tax during the year

	1 January 2017 £	Recognised in income £	Recognised in OCI £	31 December 2017 £
Property, plant and equipment	190,178	(11,998)	-	178,180
Other timing differences	(6,621)	-	3,479	(3,142)
	<u>183,557</u>	<u>(11,998)</u>	<u>3,479</u>	<u>175,038</u>

Movement in deferred tax during prior year

	1 January 2016 £	Recognised in income £	Recognised in OCI £	31 December 2016 £
Property, plant and equipment	203,099	(12,921)	-	190,178
Other timing differences	30,152	-	(36,773)	(6,621)
	<u>233,251</u>	<u>(12,921)</u>	<u>(36,773)</u>	<u>183,557</u>

Deferred tax is calculated on timing differences using a tax rate of 17% (2016: 17%).

11 Inventories

	2017 £	2016 £
Raw materials and consumables	<u>6,705,653</u>	<u>6,121,680</u>

Included in inventories is £Nil (2016: £Nil) expected to be recovered in more than 12 months.

Inventories to the value of £20,470,631 were recognised as cost of sales in the year (2016: £17,737,541).

In 2017, the provision against inventories to net realisable value amounted to £307,951 (2016: £228,089). The increase of write-downs amounted to £79,862 (2016: £5,748). The write downs are included in cost of sales.

12 Trade and other receivables

	2017 £	2016 £
Trade receivables	7,070,894	5,334,171
Amounts due from group undertakings	4,372	32,953
Prepayments and other receivables	710,630	825,988
	<u>7,785,896</u>	<u>6,193,112</u>

The company's exposure to credit and currency risks and impairment losses relating to trade and other receivables is disclosed in note 18.

Included within trade and other receivables is £Nil (2016: £Nil) expected to be recovered in more than 12 months.

Notes (continued)

13 Cash and cash equivalents

	2017 £	2016 £
Cash and cash equivalents	417,832	428,165

14 Trade and other payables

	2017 £	2016 £
Amounts due to group undertakings	5,602,061	7,520,555
Other trade payables	3,186,516	2,171,473
Other taxation and social security	935,665	615,185
Accruals and deferred income	307,278	367,052
	10,031,520	10,674,265

Included within amounts due to group undertakings is £3.5 million (2016: £3.6 million) in respect of the group cash pool on which interest is payable at the rate of 1.74% per annum (2016: 1.50% per annum).

Included is trade and other payables is £Nil (2016: £Nil) expected to be settled in more than 12 months.

15 Other interest bearing loans and borrowings

	2017 £	2016 £
Payable to Group undertakings	3,800,000	-
	3,800,000	-

Amounts payable to the group undertakings includes the following loans from the ultimate holding company:

- A loan amounting to £1.8 million carrying interest at 4.73%, payable in 2020;
- A loan amounting to £2 million carrying interest at 3.58%, payable in 2020.

16 Employee benefits

The Company participates in a number of defined contribution pension plans. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable by the company to the fund which amounted to £224,244 (2016: £196,154). There were no pension contributions outstanding or prepaid at the balance sheet date (2016: £Nil).

Notes (continued)

17 Share capital

	2017 £	2016 £
<i>Allotted, called up and fully paid:</i>		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000

Revaluation reserve

Where property, plant and equipment is revalued, the cumulative increase in the fair value of the property at the date of reclassification in excess of any previous impairment losses is included in the revaluation reserve.

Cash flow hedging reserve

The hedging reserve comprises the effective portion of the current net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

18 Financial instruments

Overview

The Company has exposure to currency, interest rate, credit and liquidity risk that arises in the normal course of the Company's business. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Fair value of financial instruments

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

Trade and other payables

The fair value of trade and other payables is estimated as the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

Cash and cash equivalents

The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand.

Interest-bearing borrowings

Fair value, which after initial recognition is determined for disclosure purposes only, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date.

Notes (continued)

18 Financial instruments (continued)

The following table shows the carrying value of financial instruments on the balance sheet. The carrying value of financial instruments closely approximates their fair value.

	2017 £	2016 £
Financial assets		
Receivables due from group undertakings	4,372	32,953
Trade receivables	7,070,894	5,334,171
Cash at bank	414,808	425,701
	<hr/>	<hr/>
Total financial assets	7,490,074	5,792,825
	<hr/>	<hr/>
Financial liabilities		
Trade payables due to group undertakings	5,602,061	7,520,555
Trade payables	3,186,516	1,857,711
Other taxation and social security	935,665	615,516
Tax payable	44,977	212,875
Amounts due to Group undertaking	3,800,000	-
	<hr/>	<hr/>
Total financial liabilities	13,569,219	10,206,657
	<hr/>	<hr/>

Foreign currency risk

The Company is exposed to foreign currency risk for transactions that are denominated in a currency other than the Great British Pound (GBP). The Company's exposure to foreign currency risk, based on notional amounts is summarised as follows:

	Foreign currency amount	GBP equivalent
2017		
Assets		
Trade receivables – EUR	1,245,191	1,104,196
– USD	482,816	372,370
	<hr/>	<hr/>
Total financial assets		1,476,566
		<hr/>
Liabilities		
Trade payables		
- EUR	2,830,966	2,500,197
	<hr/>	<hr/>
		2,500,197
		<hr/>

Notes (continued)

18 Financial instruments (continued)

	Foreign currency amount	GBP equivalent
2016		
Assets		
Trade receivables – EUR	689,259	598,169
– USD	510,859	403,015
	<hr/>	<hr/>
Total financial assets		1,001,184
		<hr/>
Liabilities		
Trade payables		
- EUR	1,692,191	1,455,415
	<hr/>	<hr/>
		1,455,415
		<hr/>

Sensitivity analysis

A 10% strengthening of the pound sterling against the Euro and USD at year end would have increased the Company's equity and profit by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	2017 £	GBP 2016 £
Trade receivables	(147,656)	(100,118)
Trade payables	250,020	145,542
	<hr/>	<hr/>
Net effect	102,364	45,424
	<hr/>	<hr/>

A 10% weakening of the pound sterling against the Euro above the year end would have had the equal but opposite effect on the reported profit and equity to the amounts shown above, on the basis that all other variables remain constant.

Credit risk

Financial risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables. Management has a credit risk policy and exposure to credit risk is monitored on an ongoing basis.

Exposure to credit risk

The carrying amount of the financial assets represents the maximum credit exposure. Therefore, the maximum exposure to credit risk at the balance sheet date was £7,490,074 (2016: £5,792,825) being the total of the carrying amount of the financial asset shown in the table.

Notes (continued)

18 Financial instruments (continued)

Credit risk (continued)

Trade receivable balances at year end are aged as follows (excluding balances due from group companies):

	2017 Gross £	Impairment £	2016 Gross £	Impairment £
Current	6,253,677	-	4,887,965	-
30-90 days	457,674	-	417,906	-
90-365 days	454,543	(95,000)	28,300	-
	<u>7,165,894</u>	<u>(95,000)</u>	<u>5,334,171</u>	<u>-</u>

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2017 £	2016 £
Balance at 1 January	-	7,348
Impairment provision charge / (released)	95,000	(7,348)
Balance at 31 December	<u>95,000</u>	<u>-</u>

The allowance account for trade receivables is used to record impairment losses unless the Company is satisfied that no recovery of the amount owing is possible, at that point the amounts considered irrecoverable are written off against the trade receivables directly.

Liquidity risk

Financial risk management

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing its liquidity is to ensure, as far as possible, that it has sufficient liquidity available to meet its liabilities when due, both under normal and adverse economic conditions, without incurring unacceptable losses or risking damage to its reputation.

The Company ensures that it has sufficient cash on demand to meet its expected operational expenses for a period of 60 days, including the servicing of any financial obligations. This excludes the potential impact of extreme circumstances which cannot be reasonably predicted, for example, natural disasters.

Notes (continued)

18 Financial instruments (continued)

Liquidity risk (continued)

The Company's financial liabilities based on contractual cash flow is summarised as follows:

2017

	Contractual cash flow £	Carrying amount £
Payable to group undertakings	5,602,061	5,602,061
Trade payables	3,186,516	3,186,516
Other payables	935,665	935,665
Tax payable	44,977	44,977
Amounts due to group undertakings	4,212,688	3,800,000
	<u>13,981,907</u>	<u>13,569,219</u>

2016

	Contractual cash flow £	Carrying amount £
Payables to group undertakings	7,520,555	7,520,555
Trade payables	2,171,473	1,857,711
Other payables	615,516	615,516
Tax payable	212,875	212,875
	<u>10,520,419</u>	<u>10,206,657</u>

Financial liabilities noted above are payable within one year, except for loans from a related party which are payable in 2020.

Cash flow hedges

The following table indicates the periods in which the cash flows associated with cash flow hedging instruments are expected to occur and are expected to affect the profit and loss.

	Carrying amount £	Expected cash flows £	1 year or less £	1 to 2 years £	2 to 5 years £
Forward exchange contracts:					
Assets	3,368	3,368	3,368	-	-

Notes (continued)

19 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2017 £	2016 £
Less than one year	803,181	833,038
Between one and five years	2,505,467	2,676,957
In more than five years	1,600,314	2,154,385
	<u>4,908,962</u>	<u>5,664,380</u>

During the year £853,188 was recognised as an expense in the income statement in respect of operating leases (2016: £912,393).

The company leases various vehicles, equipment and buildings under these operating leases.

20 Related parties

Identity of related parties

The Company has a related party relationship with its ultimate holding company and key management personnel.

Transactions with key management personnel

The Company's key management personnel are the directors. Details of directors' remuneration are given in note 5. There were no other transactions with key management personnel in either the current or preceding year.

Other related party transactions

During the year the company had the following transactions with its related parties:

	Sales to related parties		Purchases from related parties		Loans payable to related parties	
	2017 £	2016 £	2017 £	2016 £	2017 £	2016 £
Other group undertakings	508,921	427,774	9,564,456	9,861,643	-	-
Ultimate holding company	-	-	-	-	3,800,000	-
	<u>508,921</u>	<u>427,774</u>	<u>9,564,456</u>	<u>9,861,643</u>	<u>3,800,000</u>	<u>-</u>
	Interest payable to related party		Balance due from related party		Balance due to related party	
	2017 £	2016 £	2017 £	2016 £	2017 £	2016 £
Other group undertakings	-	-	4,372	32,953	2,109,598	2,111,535
Ultimate holding company	181,128	148,643	-	-	3,492,463	5,409,020
	<u>181,128</u>	<u>148,643</u>	<u>4,372</u>	<u>32,953</u>	<u>5,602,061</u>	<u>7,520,555</u>

The company has entered into a cross guarantee with the following UK companies; Benteler (UK) Limited, Benteler Automotive UK Limited, Benteler Holdings Limited in respect of security for liabilities.

21 Capital management

The Company is financed through a combination of its ordinary share capital and shareholder loans.

Notes *(continued)*

22 Ultimate parent company and parent company of larger group

The Company is a subsidiary undertaking of Benteler Holdings Limited which is the immediate parent company incorporated in Great Britain and registered in England and Wales.

The largest group in which the results of the Company are consolidated is that headed by Benteler International AG, incorporated and registered in Austria. The consolidated financial statements of these groups financial statements of these groups are available to the public and may be obtained from Benteler International Ag, Schillerstrasse 25 – 27, 5070 Salzburg, Austria.