Kloeckner Metals UK Holdings Limited

Directors' report and financial statements
Registered number 05310738
31 December 2021

Contents

Strategic Report

Principal activities

The company is a holding company and a subsidiary of the Klöckner & Co SE Group. The principal activity of its subsidiary companies is multi metal stockholding & distribution in the UK and Ireland.

Business review, results and key performance indicators

The trading results for the period and the Company's financial position at the end of the period are shown in the attached financial statements.

The business review and key performance indicators of the Group are disclosed in the financial statements of ASD Limited and ASD Westok Limited.

During the year the Company issued shares to its ultimate parent undertaking for £45m and subsequently invested £45m in its wholly owned subsidiary ASD Limited.

Principal risks and uncertainties

The principal risks and uncertainties of the Company and its subsidiary entities are detailed within the financial statements of ASD Limited and ASD Westok Limited.

Going concern

The Company acts as a holding company for its trading subsidiaries. The directors have prepared cash flow forecasts for the next 12 months for the company and its subsidiaries which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds to operate on a going concern basis. This is dependent on Klöckner & Co SE not seeking repayment of the amounts currently due. Klöckner & Co SE has indicated its intention to continue to make available such funds as are needed by the Company. Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis (see note 1).

Future developments

No changes in the nature of the Company are anticipated.

By order of the board

David Gross

D Gross
Director

Valley Farm Road
Stourton
Leeds
LS10 1SD

25 August 2022

Directors' report

The directors present their directors' report and financial statements for the year ended 31 December 2021.

Directors

The directors who served during the year are as follows:

D Gross
G C Jones *(resigned 16 December 2021)*
P Whiting

None of the directors in office at the year-end has any interest in the shares of the company or its subsidiary undertakings.

Certain directors benefit from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Dividends and results for the year

The results for the year ended 31 December 2021 are shown in the profit and loss account. The directors do not recommend the payment of a dividend *(2020: £nil)*.

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 they ought to have taken as a director to make themself 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

David Gross
D Gross
Director

Valley Farm Road
Stourton
Leeds
LS10 1SD

25 August 2022

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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including *FRS 101 Reduced Disclosure Framework.*

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 and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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

KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA
United Kingdom

Independent auditor's report to the members of Kloeckner Metals UK Holdings Limited

Opinion

We have audited the financial statements of Kloeckner Metals UK Holdings Limited ("the company") for the year ended 31 December 2021 which comprise profit & loss account, statement of comprehensive income, the balance sheet, the statement of changes in equity and related notes, 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 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Independent auditor's report to the members of Kloeckner Metals UK Holdings Limited *(continued)*

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.
Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to Klockner Metas UK Holding Limited's policies and procedures to prevent and detect fraud that apply to this company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud;
- Reading board minutes;
- Considering remuneration incentive schemes and performance targets; and
- Using analytical procedures to identify unusual or unexpected relationships.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls including the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions.

We did not identify any additional fraud risks.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards) and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

Independent auditor's report to the members of Kloeckner Metals UK Holdings Limited *(continued)*

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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.

Independent auditor's report to the members of Kloeckner Metals UK Holdings Limited *(continued)*

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.

Oliver Stephenson

Oliver Stephenson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

25 August 2022

Profit and Loss account

for year ended 31 December 2021

	Note	**2021** **£000**	2020 £000
Administrative expenses		-	(5)
Dividend Income from subsidiary in undertakings		-	24,424
Impairment of investments in subsidiary undertakings	2	**(15,234)**	(21,770)
Operating (Loss) / Profit		**(15,234)**	2,649
Interest receivable and similar income	*5*	**107**	101
Interest payable and similar charges	*6*	**(901)**	(1,632)
(Loss)/profit on ordinary activities before taxation		**(16,028)**	1,118
Tax on loss on ordinary activities	*7*	-	-
(Loss)/profit for the financial year		**(16,028)**	1,118

The results for the period relate solely to continuing activities.

The notes on pages 12 to 18 form part of the financial statements.

Statement of Other Comprehensive Income
for the year ended 31 December 2021

	2021 £000	2020 £000
(Loss)/profit for the financial period	**(16,028)**	1,118
Other comprehensive income, net of tax	-	-
Total comprehensive (loss)/income for the financial period	**(16,028)**	1,118

The notes on pages 12 to 18 form part of these financial statements.

Balance Sheet
at 31 December 2021

	Note	2021 £000	2020 £000
Fixed assets			
Investments	*8*	112,066	82,300
		112,066	82,300
Current liabilities			
Creditors: amounts falling due within one year	*9*	(39,666)	(38,872)
Net current liabilities		(39,666)	(38,872)
Total assets less current liabilities		72,400	43,428
Net assets		72,400	43,428
Capital and reserves			
Called up share capital	*10*	67,800	67,800
Share Premium	*10*	45,000	-
Profit and loss account		(40,400)	(24,372)
Shareholders' funds		72,400	43,428

The notes on pages 12 to 18 form part of the financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 25 August 2022 and signed on their behalf by:

David Gross

D Gross
Director

Company registered number: 5310738

Statement of Changes in Equity
for the year ended 31 December 2021

	Called up Share capital £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2020	42,800	(25,490)	17,310
Total comprehensive income for the period			
Profit/(loss) for the year	-	1,118	1,118
Total comprehensive income for the period	-	1,118	1,118
Transactions with owners, recorded directly in equity			
Share issue	25,000	-	25,000
	25,000	-	25,000
Balance at 31 December 2021	67,800	(24,372)	43,428

	Called up Share Capital £000	Share Premium £000	Profit and loss account £000	Total equity £000
Balance at 1 January 2021	**67,800**	-	**(24,372)**	**43,428**
Total comprehensive income for the period				
Profit/(loss) for the year	-	-	(16,028)	(16,028)
Total comprehensive income for the period	-	-	(16,028)	(16,028)
Transactions with owners, recorded directly in equity				
Share issue	-	45,000	-	45,000
	-	45,000	-	45,000
Balance at 31 December 2021	**67,800**	**45,000**	**(40,400)**	**72,400**

Notes

(forming part of the financial statements)

1 Accounting policies

Kloeckner Metals UK Holdings Limited (the "Company") is a company incorporated and domiciled in the UK.

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.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Klöckner & Co SE includes the Company in its consolidated financial statements. The consolidated financial statements of Klöckner & Co SE are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from www.kloeckner.com or: The Secretary, Valley Farm Road, Stourton, Leeds, LS10 1SD.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidâted financial statements of Klöckner & Co SE include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IAS 36 Impairment of Assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Disclosures required by IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in respect of the cash flows of discontinued operations;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the Company in the current and prior periods including the comparative period reconciliation for goodwill; and

The disclosures required by IFRS 7 Financial Instrument Disclosures.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis.

Notes *(continued)*

1 Accounting policies *(continued)*

Going concern

The Company's principal activity is that of an immediate holding company of its subsidiaries. The ability of the Company to continue to be able to settle its liabilities as they fall due, for a period of at least 12 months in the ordinary course of business is dependent on its performance of its subsidiary companies and their ability to pay dividends to the Company.

Notwithstanding net current liabilities of £39,666,000 as at 31 December 2021 *(2020: £38,872,000)*, and a loss for the year then ended of £16,028,000 *(2020: profit of £1,118,000)*, the financial statements have been prepared on a going concern basis, which the directors believe to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for the next 12 months which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through its intercompany loan facility and funding from its ultimate parent company, Klöckner & Co SE, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Klöckner & Co SE not seeking repayment of the amounts due to the group, which at 31 December 2021 amounted to £33,000,000, and providing additional financial support during that period. Klöckner & Co SE has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

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 cash flow statement.

Impairment of Investments

The carrying amounts of the Company's investments, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed or decreased if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed or decreased only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes *(continued)*

1 Accounting policies *(continued)*

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the income statement. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested, and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

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 or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss 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 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 temporary difference can be utilised.

2 Expenses and auditor's remuneration

Included in profit/loss are the following:

	2021	2020
	£000	£000
Impairment of fixed asset investments	**(15,234)**	(21,770)

The impairment charge £15.234m relates to the investment in ASD Limited

Auditor's remuneration:

The auditor's remuneration of £15,000 *(2020: £15,000)* in respect of the audit of these financial statements is borne by a fellow group company.

3 Staff numbers and costs

There were no persons employed by the Company during the year and therefore there was no remuneration.

4 Directors' remuneration

The directors received no remuneration from the company during the year.

Notes *(continued)*

5 Interest receivable and similar income

	2021	2020
	£000	£000
Interest receivable	**107**	101
Total other interest receivable and similar income	**107**	101

6 Interest payable and similar charges

	2021	2020
	£000	£000
Amounts payable to group undertakings	**901**	1,632
Total other interest payable and similar charges	**901**	1,632

7 Taxation

Recognised in the profit and loss account

	2021	2020
	£000	£000
UK corporation tax		
Current tax on income for the period	-	-
Total current tax	-	-
Tax on profit on ordinary activities	-	-

Notes *(continued)*

7 Taxation *(continued)*

Reconciliation of effective tax rate

	2021	2020
	£000	£000
(Loss)/profit for the year	**(16,028)**	1,118
Total tax expense	-	-
(Loss)/profit excluding taxation	**(16,028)**	1,118
Tax using the UK corporation tax rate of 19% *(2020: 19.00%)*	**(151)**	213
Effects of:		
Expenses not deductible for tax	-	4,135
Income not taxable for tax	-	(4,640)
Group relief not paid for or charged	-	292
Adjust opening/closing deferred tax to average rate	**(140)**	-
Remeaurement of deferred tax for changes in tax rates		(31)
Deferred tax not recognised	**291**	31
Total tax expense	-	-

An unrecognised deferred tax asset in respect of corporation tax losses totals £586,000 *(2020: £294,000)*.

The directors have elected not to recognise the deferred tax asset as they do not believe with sufficient certainty, that they will be absorbed by forecast taxable profits in the foreseeable future.

Factors that may affect future current and total tax charges

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016.

The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020.

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly

Notes *(continued)*

8 Investments in subsidiary companies

	Shares in group undertakings £000
Cost	
At beginning of year	156,770
Additions	45,000
Disposals	-
At end of year	201,770
Provisions	
At beginning of year	(74,470)
Impairment losses	(15,234)-
At end of year	(89,704)
At 31 December 2021	**112,066**
At 31 December 2020	82,300

The Company has the following investments in subsidiaries:

	Country of Incorporation	Class of shares held	Ownership 2021	2020
ASD Limited	UK	Ordinary	**100%**	100%
ASD Westok Limited	UK	Ordinary	**100%**	100%
Richardsons Westgarth Limited (in liquidation)	UK	Ordinary	**100%**	100%
Kloeckner Metals UK Limited	UK	Ordinary	**100%**	100%

Notes *(continued)*

9 Creditors: amounts falling due within one year

	2021	2020
	£000	£000
Amounts owed to group undertakings	**39,662**	38,845
Trade creditors	**4**	27
	39,666	38,872

A total committed group facility of £50 million is available for the Klöckner UK sub-group to drawdown which was renewed as an evergreen facility in May 2022. Total drawdown at 31 December 2021 £33,000,000 *(2020: £18,000,000)*.

Interest accrue on this loan at LIBOR plus floating rate margin (with SONIA replacing LIBOR from 2022). The average rate charged during the year on this loan was 2.66% *(2020: 2.6%)*.

10 Capital and reserves

Share capital

	2021	2020
	No. of Shares	No. of Shares
On issue at 1 January	**67,800,000**	42,800,000
Issued for cash	**2**	25,000,000
On issue at 31 December – fully paid	**67,800,002**	67,800,000

	2021	2020
	£	£
Allotted, called up and fully paid		
67,800,000 ordinary shares of £1 each	**67,800,000**	67,800,000
2 ordinary shares of £1 each	**2**	-
Shares classified in shareholders' funds	**67,800,002**	67,800,000

During the year the Company issued shares to its parent company Klöckner & Co SE for £45,000,000 and subsequently invested the same amount in its wholly owned subsidiary ASD Limited. The shares had a nominal value of £2, resulting in share premium of £44,999,998.

11 Ultimate parent company and parent company of larger group

The largest group in which the results of the Company are consolidated is that headed by Klöckner & Co SE, incorporated in Germany. No other group financial statements include the results of the Company. The consolidated financial statements of Klöckner & Co SE are available to the public and may be obtained from www.kloeckner.com or: The Secretary, Valley Farm Road, Stourton, Leeds, LS10 1SD.