

REGISTERED NUMBER: 07506369 (England and Wales)

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014
FOR
ANSTEEL HOLDINGS (UK) LIMITED**

THURSDAY



A22 *A4GL1KW* #51
24/09/2015
COMPANIES HOUSE

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Consolidated Profit and Loss Account	7
Consolidated Balance Sheet	8
Company Balance Sheet	9
Consolidated Cash Flow Statement	10
Notes to the Consolidated Cash Flow Statement	11
Notes to the Consolidated Financial Statements	13

ANSTEEL HOLDINGS (UK) LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2014

DIRECTORS:

J Verden
D O'Riordan
X Bei
D Li

SECRETARY:

REGISTERED OFFICE:

City Point
1 Ropemaker Street
London
EC2Y 9ST

REGISTERED NUMBER:

07506369 (England and Wales)

AUDITORS:

Saxon & Co.
Statutory Auditors
Chartered Accountants
Kings Chambers
Queens Cross
High Street
Dudley
West Midlands
DY1 1QT

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014**

The directors present their strategic report of the company and the group for the year ended 31 December 2014.

REVIEW OF BUSINESS

2014 continued the improvement in performance of the company. The market sectors we operate in have continued to strengthen during 2014. This improvement has continued in the beginning of 2015.

Under-utilisation of capacity in the industry remains and in addition there has been a rapid decrease in the price of all input costs to the steel manufacturers. This has resulted in a constant erosion of prices during 2014. Market prices have reduced further in 2015. USS has lived with the constant price reduction well during 2014 using a number of techniques to reduce risk exposure. We will continue with this policy during 2015.

The widening of our supply base and continuing strict oversight over stock lines and levels have been important tools which we have used to improve both customer service and our cash position. We are pleased with the improvements we have made and expect to build on these during 2015.

Our continued cautious approach to the market remains as we believe this is essential to allow us to further increase the performance of the company.

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and execution of the company's strategy are subject to a number of risks.

The key business risks and uncertainties are considered to be competition from other steel service centres and product availability.

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for the understanding of the development, performance or position of the business.

ON BEHALF OF THE BOARD:



.....
J Verden - Director

Date: **22** September 2015

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2014**

The directors present their annual report on the affairs of the Company and the Group together with the financial statements and auditor's report for the period ended 31 December 2014. They are prepared in accordance with applicable law and regulations. The directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The directors are satisfied that the annual report and financial statements 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.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2014.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2014 to the date of this report.

J Verden
D O'Riordan
X Bei
D Li

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

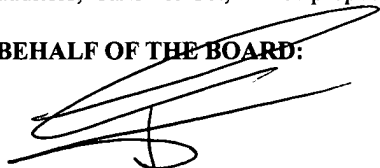
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2014**

AUDITORS

The auditors, Saxon & Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



.....
J Verden - Director

Date: **22** September 2015

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ANSTEEL HOLDINGS (UK) LIMITED

We have audited the financial statements of Ansteel Holdings (UK) Limited for the year ended 31 December 2014 on pages seven to twenty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2014 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ANSTEEL HOLDINGS (UK) LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Anthony Saxon (Senior Statutory Auditor)
for and on behalf of Saxon & Co.

Statutory Auditors
Chartered Accountants
Kings Chambers
Queens Cross
High Street
Dudley
West Midlands
DY1 1QT

Date: 22 September 2015

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	2014 £'000	2013 £'000
TURNOVER		26,004	23,846
Cost of sales		23,751	21,395
GROSS PROFIT		2,253	2,451
Administrative expenses		1,679	2,100
OPERATING PROFIT	4	574	351
Interest receivable and similar income		2	-
		576	351
Interest payable and similar charges	5	20	148
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		556	203
Tax on profit on ordinary activities	6	135	101
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		421	102
Minority interest - equity		143	36
RETAINED PROFIT FOR THE GROUP CARRIED FORWARD		278	66

CONTINUING OPERATIONS

None of the group's activities were acquired or discontinued during the current year or previous year.

TOTAL RECOGNISED GAINS AND LOSSES

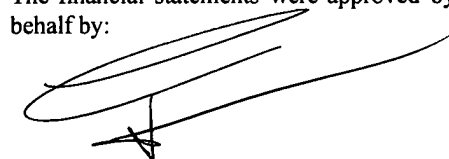
The group has no recognised gains or losses other than the profits for the current year or previous year.

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 DECEMBER 2014

	Notes	2014 £'000	2013 £'000
FIXED ASSETS			
Tangible assets	8	1,152	1,215
Investments	9	-	-
		<u>1,152</u>	<u>1,215</u>
CURRENT ASSETS			
Stocks	10	2,158	1,903
Debtors	11	6,546	6,926
Cash at bank		<u>1,411</u>	<u>32</u>
		10,115	8,861
CREDITORS			
Amounts falling due within one year	12	<u>6,980</u>	<u>6,149</u>
NET CURRENT ASSETS		<u>3,135</u>	<u>2,712</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,287</u>	<u>3,927</u>
CREDITORS			
Amounts falling due after more than one year	13	(560)	(630)
PROVISIONS FOR LIABILITIES	15	(10)	-
MINORITY INTERESTS	16	<u>(1,245)</u>	<u>(1,103)</u>
NET ASSETS		<u><u>2,472</u></u>	<u><u>2,194</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	2,636	2,636
Profit and loss account	18	<u>(164)</u>	<u>(442)</u>
SHAREHOLDERS' FUNDS	21	<u><u>2,472</u></u>	<u><u>2,194</u></u>

The financial statements were approved by the Board of Directors on **22** September 2015 and were signed on its behalf by:



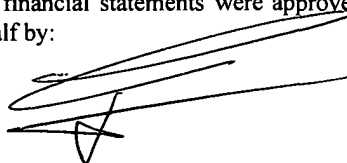
.....
J Verden - Director

The notes form part of these financial statements

COMPANY BALANCE SHEET
31 DECEMBER 2014

	Notes	2014 £'000	2013 £'000
FIXED ASSETS			
Tangible assets	8	-	-
Investments	9	2,636	2,636
		<u>2,636</u>	<u>2,636</u>
CREDITORS			
Amounts falling due within one year	12	<u>16</u>	<u>10</u>
NET CURRENT LIABILITIES		<u>(16)</u>	<u>(10)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,620</u>	<u>2,626</u>
CAPITAL AND RESERVES			
Called up share capital	17	2,636	2,636
Profit and loss account	18	<u>(16)</u>	<u>(10)</u>
SHAREHOLDERS' FUNDS	21	<u>2,620</u>	<u>2,626</u>

The financial statements were approved by the Board of Directors on **22** September 2015 and were signed on its behalf by:



.....
J Verden - Director

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Notes	2014 £'000	2013 £'000
Net cash inflow from operating activities	1	1,485	269
Returns on investments and servicing of finance	2	(18)	(148)
Taxation		-	14
Capital expenditure	2	(20)	(23)
		<u>1,447</u>	<u>112</u>
Financing	2	(70)	(105)
Increase in cash in the period		<u>1,377</u>	<u>7</u>
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		1,379	5
Cash outflow from decrease in debt		<u>70</u>	<u>105</u>
Change in net debt resulting from cash flows		<u>1,449</u>	<u>110</u>
Movement in net debt in the period		<u>1,449</u>	<u>110</u>
Net debt at 1 January		<u>(668)</u>	<u>(778)</u>
Net funds/(debt) at 31 December		<u>781</u>	<u>(668)</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014	2013
	£'000	£'000
Operating profit	574	351
Depreciation charges	92	90
Profit on disposal of fixed assets	(10)	(7)
(Increase)/decrease in stocks	(255)	1,001
Decrease/(increase) in debtors	260	(2,289)
Increase in creditors	824	1,123
Net cash inflow from operating activities	1,485	269

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2014	2013
	£'000	£'000
Returns on investments and servicing of finance		
Interest received	2	-
Interest paid	(20)	(148)
Net cash outflow for returns on investments and servicing of finance	(18)	(148)
Capital expenditure		
Purchase of tangible fixed assets	(30)	(55)
Sale of tangible fixed assets	10	32
Net cash outflow for capital expenditure	(20)	(23)
Financing		
Loan repayments in year	(70)	(105)
Net cash outflow from financing	(70)	(105)

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.14 £'000	Cash flow £'000	At 31.12.14 £'000
Net cash:			
Cash at bank	32	1,379	1,411
	<u>32</u>	<u>1,379</u>	<u>1,411</u>
Debt:			
Debts falling due within one year	(70)	-	(70)
Debts falling due after one year	(630)	70	(560)
	<u>(700)</u>	<u>70</u>	<u>(630)</u>
Total	<u>(668)</u>	<u>1,449</u>	<u>781</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006, English law and United Kingdom Accounting Standards.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertaking drawn up to 31 December.

Where subsidiary undertakings are acquired or disposed of during the year, the Group profit and loss account includes their results only for the part of the year from or to the date on which control is passed. Acquisitions are accounted for under the acquisition method.

Turnover

Turnover represents the invoiced amount of goods sold and services provided to third parties net of value added tax and trade discounts. Turnover arising from the sale of steel and steel-making raw materials is recognised when the risks and rewards of ownership have substantially passed to the customer.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 4% on cost
Plant and machinery	- 10% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Transactions in foreign currencies are recorded in Sterling using the exchange rate ruling at the date of the transaction or if hedged at the forward contract rate. Monetary assets and liabilities denominated in currencies other than Sterling are translated at the effective rate of exchange ruling on 31 December or if hedged at the forward contract rate, and gains or losses on translation are included in the profit and loss account.

Pensions

The principal pension arrangements in the Group are defined contribution schemes and other money purchase schemes. Contributions are charged to the profit and loss account as they are payable.

Going concern basis

The Directors' Report describes the going concern basis of the preparation of the financial statements.

Investment in subsidiary

The Company values its investment in subsidiary at estimated cost less provision for impairment in value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES - continued**Pensions**

The principal pension arrangements in the Group are defined defined contribution schemes and other money purchase schemes. Contributions are charged to the profit and loss account as they are payable.

Hire purchase and leasing commitments

Assets obtained under hire purchase or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over either their estimated useful lives or lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

2. STAFF COSTS

	2014 £'000	2013 £'000
Wages and salaries	823	857
Social security costs	103	111
Other pension costs	6	16
	<u>932</u>	<u>984</u>

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

	2014	2013
Employees	<u>18</u>	<u>19</u>

3. DIRECTORS' EMOLUMENTS

None of the directors were paid any remuneration for services towards the Group.

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2014 £'000	2013 £'000
Depreciation - owned assets	93	90
Profit on disposal of fixed assets	(10)	(7)
Auditors' remuneration	<u>35</u>	<u>37</u>

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2014 £'000	2013 £'000
Interest	14	100
Factoring discount	6	48
	<u>20</u>	<u>148</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014

6. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2014 £'000	2013 £'000
Current tax:		
UK corporation tax	5	-
Deferred tax	130	101
Tax on profit on ordinary activities	<u>135</u>	<u>101</u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2014 £'000	2013 £'000
Profit on ordinary activities before tax	<u>556</u>	<u>203</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.500% (2013 - 23.250%)	120	47
Effects of:		
Expenses not deductible for tax purposes	1	5
Depreciation in excess of capital allowances	12	13
Utilisation of tax losses	(128)	(65)
Current tax charge	<u>5</u>	<u>-</u>

7. LOSS OF PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was £(6,294) (2013 - £(5,030)).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014

8. TANGIBLE FIXED ASSETS

Group

	Freehold property £'000	Plant and machinery £'000	Fixtures and fittings £'000
COST			
At 1 January 2014	900	489	9
Additions	-	5	4
Disposals	-	(3)	-
At 31 December 2014	900	491	13
DEPRECIATION			
At 1 January 2014	74	141	9
Charge for year	25	52	1
Eliminated on disposal	-	(3)	-
At 31 December 2014	99	190	10
NET BOOK VALUE			
At 31 December 2014	801	301	3
At 31 December 2013	826	348	-
	Motor vehicles £'000	Computer equipment £'000	Totals £'000
COST			
At 1 January 2014	62	34	1,494
Additions	14	7	30
Disposals	(22)	-	(25)
At 31 December 2014	54	41	1,499
DEPRECIATION			
At 1 January 2014	23	32	279
Charge for year	12	3	93
Eliminated on disposal	(22)	-	(25)
At 31 December 2014	13	35	347
NET BOOK VALUE			
At 31 December 2014	41	6	1,152
At 31 December 2013	39	2	1,215

9. FIXED ASSET INVESTMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014

9. FIXED ASSET INVESTMENTS - continued

Group

Investment in subsidiary

	2013 £'000	2012 £'000
As at 1 January	2,636	2,636
	<u>2,636</u>	<u>2,636</u>
As at 31 December		

The sole subsidiary undertaking is a 66.67% investment in a holding company, United Slitting Services Limited and its 100% trading subsidiary, USS Limited. Both companies are incorporated in Great Britain and registered in in England and Wales. USS Limited is engaged in steel slitting services.

10. STOCKS

	Group	
	2014 £'000	2013 £'000
Stocks	<u>2,158</u>	<u>1,903</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2014 £'000	2013 £'000
Trade debtors	6,434	6,761
VAT	97	-
Deferred tax asset	-	120
Prepayments	15	45
	<u>6,546</u>	<u>6,926</u>

Deferred tax asset

	Group	
	2014 £'000	2013 £'000
Deferred tax	<u>-</u>	<u>120</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2014	2013	2014	2013
	£'000	£'000	£'000	£'000
Bank loans and overdrafts (see note 14)	70	70	-	-
Trade creditors	6,318	4,936	-	-
Tax	5	-	-	-
Social security and other taxes	30	343	-	-
Other creditors	5	6	-	-
Advances from factors	-	530	-	-
Accrued expenses	552	264	16	10
	<u>6,980</u>	<u>6,149</u>	<u>16</u>	<u>10</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2014	2013
	£'000	£'000
Bank loans (see note 14)	<u>560</u>	<u>630</u>

14. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2014	2013
	£'000	£'000
Amounts falling due within one year or on demand:		
Bank loans	<u>70</u>	<u>70</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>70</u>	<u>70</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>210</u>	<u>210</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>280</u>	<u>350</u>

15. PROVISIONS FOR LIABILITIES

	Group	
	2014	2013
	£'000	£'000
Deferred tax	<u>10</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014

15. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £'000
Balance at 1 January 2014	(120)
Other timing differences	129
Accelerated capital allowances	1
	<hr/>
Balance at 31 December 2014	10
	<hr/>

16. MINORITY INTERESTS

The minority interest represents a 33.33% holding in the groups subsidiary United Slitting Services Limited.

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014 £'000	2013 £'000
2,636,194	Ordinary	£1	2,636	2,636
			<hr/>	<hr/>

18. RESERVES

Group

	Profit and loss account £'000
At 1 January 2014	(442)
Profit for the year	278
	<hr/>
At 31 December 2014	(164)
	<hr/>

Company

	Profit and loss account £'000
At 1 January 2014	(10)
Deficit for the year	(6)
	<hr/>
At 31 December 2014	(16)
	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014

19. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard No.8, Related Party Transactions, not to disclose transactions with United Slitting Services group companies

The Company has traded with Stemcor Holdings Limited and its following subsidiaries during the period

Group

	Sales of goods and services		Purchases of goods and services		Amounts owed from (to) at 31 December	
	2014 '£000	2013 '£000	2014 '£000	2013 '£000	2014 '£000	2013 '£000
Barclay & Mathieson Limited	-	6	-	-	-	-
Eurosteel Products Limited	1	123	7,178	3,531	(36)	(3,101)
Stemcor Holdings Limited	-	57	69	-	(2,361)	(46)
Steel Plate & Section Limited	-	-	-	-	-	-
Ansteel Spain SL	-	-	739	10,950	-	8
	<u>1</u>	<u>186</u>	<u>7,986</u>	<u>14,481</u>	<u>(2,397)</u>	<u>(3,139)</u>

All transactions with related parties are priced on an arms length basis. None of the balances are secured.

Company

	Sales of goods and services		Purchases of goods and services		Amounts owed from (to) at 31 December	
	2014 '£000	2013 '£000	2014 '£000	2013 '£000	2014 '£000	2013 '£000
Stemcor Holdings Limited	-	-	-	-	(16)	(10)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(16)</u>	<u>(10)</u>

20. ULTIMATE CONTROLLING PARTY

The Company is owned 50% by Stemcor Holdings 2 Limited, a company incorporated in Great Britain and registered in England and Wales, and 50% by Angang Group Hong Kong Company Limited, a company incorporated in Hong Kong. Each share has equal voting rights and so, in the opinion of the directors, no single shareholder has control over the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2014

21. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2014 £'000	2013 £'000
Profit for the financial year	278	66
Net addition to shareholders' funds	278	66
Opening shareholders' funds	2,194	2,128
Closing shareholders' funds	<u>2,472</u>	<u>2,194</u>

Company

	2014 £'000	2013 £'000
Loss for the financial year	(6)	(5)
Net reduction of shareholders' funds	(6)	(5)
Opening shareholders' funds	2,626	2,631
Closing shareholders' funds	<u>2,620</u>	<u>2,626</u>