

**BEFESA SALT SLAGS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

**Company Registration Number 04070154**

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**BEFESA SALT SLAGS LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

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**BEFESA SALT SLAGS LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**  
**YEAR ENDED 31 DECEMBER 2013**

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<b>The board of directors</b>	A E Platt C Ruiz J C Torres F Barredo
<b>Business address</b>	Fenns Bank Whitchurch Shropshire SY13 3PA
<b>Registered office</b>	Fenns Bank Whitchurch Shropshire SY13 3PA
<b>Auditor</b>	Baker Tilly Audit Limited Chartered Accountants Rivermead House 7 Lewis Court Grove Park Enderby Leicestershire LE19 1SD

**BEFESA SALT SLAGS LIMITED**  
**STRATEGIC REPORT**  
**YEAR ENDED 31 DECEMBER 2013**

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The principal activity of the company during the year under review continued to be the reclamation of various aluminium oxides, salts, metals and metals trading.

**Fair review of the business**

During the year, turnover decreased by 3% to £8.959 million, which resulted in a lower than expected profitability, but with Befesa maintaining its dominant position in the market with the speciality services offered. The results are reflective of the continued low aluminium price and reduced volumes of aluminium production across both the primary and secondary aluminium industry in the year. Befesa's underlying share of the market remained strong and the Board expects that trading volumes will recover substantially in the coming year.

The Board's successful control of the company's cost base, against a back drop of increasing energy costs and the reduced aluminium prices, has enabled the company to confidently invest to further develop new process technology and treatment options for the provision of new treatment services in the coming year.

At the year end, the company had shareholders' funds of £4,990,477 and net current assets of £1,517,442.

The directors remain optimistic about the company's future prospects and are committed to maximising opportunities for treatment of new materials through its plant, which may lead to the development of new markets.

The immediate parent undertaking, Befesa Aluminio S.L., has undertaken to continue to provide such financial support as the company requires for its continued operations, investment in the treatment of new materials and the development of new markets.

**Risks and uncertainties**

The company makes little use of financial instruments other than an operational bank account and a non-recourse invoice discounting facility and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

The directors have assessed the main risks facing the company as being the strength of the global aluminium industry, upon which the company has a strong reliance and the increasing energy prices in the UK.

Signed on behalf of the directors



A E Platt  
**Director**

Approved by the directors on 29 January 2014

# **BEFESA SALT SLAGS LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2013**

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The directors present their report and the financial statements of the company for the year ended 31 December 2013.

### **Results and dividends**

The loss for the year, after taxation, amounted to £1,871,290. The directors have not recommended a dividend.

### **Directors**

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

A E Platt  
C Ruiz  
J C Torres  
F Barredo

### **Directors' responsibilities**

The directors are responsible for preparing the Strategic Report, 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

In so far as the directors are, individually, aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.


**BEFESA SALT SLAGS LIMITED**  
**DIRECTORS' REPORT** *(continued)*  
**YEAR ENDED 31 DECEMBER 2013**

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**Auditor**

Baker Tilly Audit Limited (formerly RSM Tenon Audit Limited) have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

Signed on behalf of the directors



A E Platt  
**Director**

Approved by the directors on 29 January 2014

**BEFESA SALT SLAGS LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEFESA**  
**SALT SLAGS LIMITED**  
**YEAR ENDED 31 DECEMBER 2013**

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We have audited the financial statements of Befesa Salt Slags Limited for the year ended 31 December 2013 on pages 7 to 18. 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 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.

**Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities 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. 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss 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 matters prescribed by the Companies Act 2006**

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

**BEFESA SALT SLAGS LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEFESA  
SALT SLAGS LIMITED *(continued)***

**YEAR ENDED 31 DECEMBER 2013**

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mark Evans, Senior Statutory Auditor  
For and on behalf of

*Baker Tilly Audit Limited*

Baker Tilly Audit Limited, Statutory Auditor  
Chartered Accountants  
Rivermead House  
7 Lewis Court  
Grove Park  
Enderby  
Leicestershire  
LE19 1SD

29 January 2014



**BEFESA SALT SLAGS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2013**

	Note	2013 £	2012 £
<b>Turnover</b>	2	8,959,288	9,278,240
Cost of sales		(8,830,005)	(8,066,216)
<b>Gross profit</b>		<u>129,283</u>	<u>1,212,024</u>
Administrative expenses		(700,879)	(820,246)
<b>Operating (loss)/profit</b>	3	<u>(571,596)</u>	<u>391,778</u>
Interest receivable		-	328
Interest payable and similar charges	6	(319,045)	(71,868)
<b>(Loss)/profit on ordinary activities before taxation</b>		<u>(890,641)</u>	<u>320,238</u>
Tax on (loss)/profit on ordinary activities	7	(980,649)	(476,982)
<b>Loss for the financial year</b>		<u><u>(1,871,290)</u></u>	<u><u>(156,744)</u></u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 10 to 18 form part of these financial statements.

**BEFESA SALT SLAGS LIMITED**

Registered Number 04070154

**BALANCE SHEET****31 DECEMBER 2013**

		2013		2012	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8		10,866,070		9,774,789
<b>Current assets</b>					
Stocks	9	1,384,073		1,626,241	
Debtors due within one year	10	656,121		2,089,134	
Debtors due after one year	10	220,000		1,152,474	
Cash at bank		281,857		155,698	
		<u>2,542,051</u>		<u>5,023,547</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(1,024,609)</u>		<u>(3,449,048)</u>	
<b>Net current assets</b>			1,517,442		1,574,499
<b>Total assets less current liabilities</b>			<u>12,383,512</u>		<u>11,349,288</u>
<b>Creditors: amounts falling due after more than one year</b>	13		<u>(7,393,035)</u>		<u>(4,487,521)</u>
			<u>4,990,477</u>		<u>6,861,767</u>
<b>Capital and reserves</b>					
Called-up share capital	18		13,500,100		13,500,100
Profit and loss account	19		(8,509,623)		(6,638,333)
<b>Shareholders' funds</b>	20		<u>4,990,477</u>		<u>6,861,767</u>

These accounts were approved by the directors and authorised for issue on 29 January 2014, and are signed on their behalf by:



A E Platt  
Director

The notes on pages 10 to 18 form part of these financial statements.

**BEFESA SALT SLAGS LIMITED**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 31 DECEMBER 2013**

	Note	2013 £	£	2012 £	£
<b>Net cash (outflow)/inflow from operating activities</b>	21		(348,070)		1,255,718
<b>Returns on investments and Servicing of finance</b>					
Interest received		-		328	
Interest paid		(319,045)		(71,868)	
<b>Net cash outflow from returns on investments and servicing of finance</b>			(319,045)		(71,540)
<b>Capital expenditure</b>					
Payments to acquire tangible fixed assets		(2,112,240)		(1,475,929)	
<b>Net cash outflow from capital expenditure</b>			(2,112,240)		(1,475,929)
<b>Cash outflow before financing</b>			(2,779,355)		(291,751)
<b>Financing</b>					
Advancement of loan from immediate parent undertaking		2,905,514		159,887	
<b>Net cash inflow from financing</b>			2,905,514		159,887
<b>Increase/(decrease) in cash</b>	21		126,159		(131,864)

**BEFESA SALT SLAGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

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**1. Accounting policies**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

**Turnover**

The turnover shown in the profit and loss account represents amounts receivable during the year exclusive of value added tax, from goods supplied by external third parties.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Freehold property	-	50 years
Fixed plant	-	over 15 years
Plant and machinery	-	over 15 years

Freehold land is not depreciated.

Assets in the course of construction are capitalised and held on the balance sheet at their cost, less a provision for any permanent diminution in value. The assets are then depreciated when they are brought into use.

**Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowances for slow and obsolete moving items.

**Operating lease agreements**

Rentals under operating leases are charged to the profit and loss account as incurred.

**Pension costs**

Contributions to the company's defined contribution pension scheme are charged to the profit and loss account in the year in which they become payable.

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**BEFESA SALT SLAGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

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**1. Accounting policies (continued)**

**Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date and the gains and losses on translation are included in the profit and loss account.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Commissioning costs**

The costs of commissioning plant are capitalised up to the point that the plant becomes commercially operative.

**2. Turnover**

Turnover is wholly attributed to the principal activities of the company. During the year 45% (2012: 38%) of the company's turnover related to export markets.

**3. Operating (loss)/profit**

Operating (loss)/profit is stated after charging:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Depreciation of owned fixed assets	1,020,959	931,702
Auditor's remuneration	8,840	9,790
Operating lease costs:		
-Plant and machinery	45,191	20,307
Net loss on foreign currency translation	-	37
	<u>                    </u>	<u>                    </u>

**BEFESA SALT SLAGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

**4. Particulars of employees**

The average number of staff employed by the company during the financial year amounted to:

	<b>2013</b>	<b>2012</b>
	<b>No</b>	<b>No</b>
Production	35	36
Administrative	8	8
	<u>43</u>	<u>44</u>

The aggregate payroll costs of the above were:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,735,368	1,789,896
Social security costs	192,829	179,264
Other pension costs	77,796	56,772
	<u>2,005,993</u>	<u>2,025,932</u>

**5. Directors' remuneration**

The directors' aggregate remuneration and other payments in respect of qualifying services were:

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Remuneration receivable	306,718	160,191
Value of company pension contributions to money purchase schemes	12,082	15,486
Compensation for loss of directorship	-	120,000
	<u>318,800</u>	<u>295,677</u>

**Remuneration of highest paid director:**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Total remuneration (excluding pension contributions)	306,717	140,476
Value of company pension contributions to money purchase schemes	12,082	10,816
	<u>318,799</u>	<u>151,292</u>

There was 1 (2012: 2) director in the company's defined contribution pension scheme during the year.

**BEFESA SALT SLAGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

**6. Interest payable and similar charges**

	2013 £	2012 £
Interest payable on bank borrowing	4,076	-
Other	314,969	71,868
	<u>319,045</u>	<u>71,868</u>

**7. Taxation on ordinary activities**

**(a) Analysis of charge in the year**

	2013		2012	
	£	£	£	£
Deferred tax:				
Origination and reversal of timing differences	980,649		476,982	
Total deferred tax (note 11)		<u>980,649</u>		<u>476,982</u>

**(b) Factors affecting current tax charge**

The tax assessed for the year is different to the expected tax charge on the (loss)/profit on ordinary activities, the differences are explained below:

	2013 £	2012 £
(Loss)/profit on ordinary activities before taxation	<u>(890,641)</u>	<u>320,238</u>
(Loss)/profit on ordinary activities multiplied by the appropriate rate of tax 20% (2012 : 24%)	(178,128)	76,857
Effects of:		
Capital allowances in excess of depreciation	(88,106)	(231,046)
Tax losses carried forward	265,621	148,489
Provisions adjustment	613	5,700
Total current tax (note 7(a))	<u>-</u>	<u>-</u>

**(c) Factors that may affect future tax charges**

The company is carrying forward trading losses of £8,627,675 (2012: £7,299,572).

**BEFESA SALT SLAGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

**8. Tangible fixed assets**

	Freehold property £	Fixed plant £	Plant and machinery £	Asset in the course of construction £	Total £
<b>Cost</b>					
At 1 January 2013	2,517,885	4,877,354	8,568,746	1,475,929	17,439,914
Additions	-	-	-	2,112,240	2,112,240
Transfers	-	-	2,188,542	(2,188,542)	-
At 31 December 2013	<u>2,517,885</u>	<u>4,877,354</u>	<u>10,757,288</u>	<u>1,399,627</u>	<u>19,552,154</u>
<b>Depreciation</b>					
At 1 January 2013	599,741	3,586,779	3,478,605	-	7,665,125
Charge for the year	49,273	316,060	655,626	-	1,020,959
At 31 December 2013	<u>649,014</u>	<u>3,902,839</u>	<u>4,134,231</u>	<u>-</u>	<u>8,686,084</u>
<b>Net book value</b>					
At 31 December 2013	<u>1,868,871</u>	<u>974,515</u>	<u>6,623,057</u>	<u>1,399,627</u>	<u>10,866,070</u>
At 31 December 2012	<u>1,918,144</u>	<u>1,290,575</u>	<u>5,090,141</u>	<u>1,475,929</u>	<u>9,774,789</u>

Included in freehold land and buildings is land at a cost of £70,000 (2012: £70,000). Land has not been depreciated.

**9. Stocks**

	2013 £	2012 £
Raw materials	14,523	16,038
Finished goods	1,369,550	1,610,203
	<u>1,384,073</u>	<u>1,626,241</u>

**10. Debtors**

	2013 £	2012 £
Trade debtors	271,266	626,942
Other debtors	150,647	105,551
Prepayments and accrued income	154,208	1,228,466
Deferred taxation (note 11)	300,000	1,280,649
	<u>876,121</u>	<u>3,241,608</u>



**BEFESA SALT SLAGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

**10. Debtors (continued)**

The debtors above include the following amounts falling due after more than one year:

	2013 £	2012 £
Deferred taxation	<u>220,000</u>	<u>1,152,474</u>

**11. Deferred taxation**

The deferred tax included in the Balance sheet is as follows:

	2013 £	2012 £
Included in debtors (note 10)	<u>300,000</u>	<u>1,280,649</u>

The movement in the deferred taxation account during the year was:

	2013 £	2012 £
At 1 January 2013	1,280,649	1,757,631
Profit and loss account movement arising during the year	<u>(980,649)</u>	<u>(476,982)</u>
At 31 December 2013	<u>300,000</u>	<u>1,280,649</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2013 £	2012 £
Excess of depreciation over taxation allowances	-	41,457
Tax losses available	<u>300,000</u>	<u>1,239,192</u>
	<u>300,000</u>	<u>1,280,649</u>

**12. Creditors: amounts falling due within one year**

	2013 £	2012 £
Trade creditors	418,521	3,098,776
Taxation and social security	43,216	56,032
Other creditors	77,367	52,690
Accruals and deferred income	<u>485,505</u>	<u>241,550</u>
	<u>1,024,609</u>	<u>3,449,048</u>

**13. Creditors: amounts falling due after more than one year**

	2013 £	2012 £
Amounts owed to immediate parent undertaking	<u>7,393,035</u>	<u>4,487,521</u>

**BEFESA SALT SLAGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

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**14. Pensions**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge of £77,796 (2012: £56,772) represents contributions payable by the company to the fund.

At the year end, there was unpaid pension contributions included within accruals of £9,087 (2012: £6,470).

**15. Commitments under operating leases**

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as set out below.

	<b>Other 2013 £</b>	<i>Other 2012 £</i>
Operating leases which expire:		
Within 1 year	385	385
Within 2 to 5 years	44,952	43,218
	<u>45,337</u>	<u>43,603</u>

**16. Related party transactions**

During the year the company entered into the following arrangements with Befesa Aluminio S.L., its immediate parent company.

	<b>2013 £</b>	<i>2012 £</i>
Sales	3,458,723	3,112,852
Purchases	<u>491,626</u>	<u>339,661</u>

At 31 December 2013, £7,393,035 (2012: £4,487,521) was owed to Befesa Aluminio S.L. For the six months ending 30 June 2013, interest was payable at 1% above bank base rate. For the six months from 1 July 2013 to 31 December 2013, interest was payable at 10% above bank base rate. During the year, interest totalling £314,969 (2012: £71,868) was payable by the company to Befesa Aluminio S.L.

All transactions were carried out on a normal commercial basis.

**17. Capital commitments**

At the year end, the company had capital commitments to the value of £100,586 (2012: £nil).

**18. Share capital**

**Allotted, called up and fully paid:**

	<b>2013</b>		<i>2012</i>	
	<b>No</b>	<b>£</b>	<i>No</i>	<i>£</i>
Ordinary shares of £1 each	13,500,100	13,500,100	<u>13,500,100</u>	<u>13,500,100</u>

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**BEFESA SALT SLAGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

**19. Profit and loss account**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Balance brought forward	(6,638,333)	(6,481,589)
Loss for the financial year	(1,871,290)	(156,744)
Balance carried forward	<u>(8,509,623)</u>	<u>(6,638,333)</u>

**20. Reconciliation of movements in shareholders' funds**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Loss for the financial year	(1,871,290)	(156,744)
Opening shareholders' funds	<u>6,861,767</u>	<u>7,018,511</u>
Closing shareholders' funds	<u>4,990,477</u>	<u>6,861,767</u>

**21. Notes to the cash flow statement**

**Reconciliation of operating (loss)/profit to net cash (outflow)/inflow from operating activities**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Operating (loss)/profit	(571,596)	391,778
Depreciation	1,020,959	931,702
Decrease/(increase) in stocks	242,168	(651,076)
Decrease in debtors	1,384,838	86,216
(Decrease)/increase in creditors	<u>(2,424,439)</u>	<u>497,098</u>
Net cash (outflow)/inflow from operating activities	<u>(348,070)</u>	<u>1,255,718</u>

**Reconciliation of net cash flow to movement in net debt**

	<b>2013</b>		<b>2012</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Increase/(decrease) in cash in the period	126,159		(131,864)	
Increase in amounts owed to immediate parent undertaking	<u>(2,905,514)</u>		<u>(159,887)</u>	
Change in net debt		<u>(2,779,355)</u>		<u>(291,751)</u>
Net debt at 1 January 2013		<u>(4,331,823)</u>		<u>(4,040,072)</u>
Net debt at 31 December 2013		<u>(7,111,178)</u>		<u>(4,331,823)</u>

**BEFESA SALT SLAGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2013**

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**21. Notes to the cash flow statement (continued)**

**Analysis of changes in net debt**

	At 1 January 2013 £	Cash flows £	At 31 December 2013 £
Net cash:			
Cash in hand and at bank	<u>155,698</u>	<u>126,159</u>	<u>281,857</u>
Debt:			
Amounts owed to immediate parent undertaking	<u>(4,487,521)</u>	<u>(2,905,514)</u>	<u>(7,393,035)</u>
Net debt	<u>(4,331,823)</u>	<u>(2,779,355)</u>	<u>(7,111,178)</u>

**22. Immediate and ultimate parent undertaking**

The company's immediate parent undertaking is Befesa Aluminio Bilbao S.L., a company incorporated in Spain.

The company's ultimate parent undertaking is Bilbao MidCo S.á r.l., a company incorporated in Luxembourg. The largest group in which the results of the company are consolidated is Bilbao MidCo S.á r.l.. Copies of the financial statements of Bilbao MidCo S.á r.l. are available from 26-28 rue Edward Steichen, L-2540 Luxembourg.