



Verification report – UK Importer Case TD0029 - Certain Cast Iron Articles originating from the People’s Republic of China

Period of Investigation (POI):	01 October 2021 – 30 September 2022
Injury Period:	01 October 2018 – 30 September 2022
Date of report:	TBC
Case team contact details:	TD0029@traderemedies.gov.uk
Company verified:	Alumasc Building Products Ltd

For further details, please see the [Notice of initiation](#) on the public file.



Contents

Executive Summary	3
Purpose of verification	4
Confidential information.....	4
Verification.....	5
A-I. Company structure and associations	5
A-II. Goods	8
B. Imports and forward orders	10
C. Sales	12
D. Economic Interest Test	14
Conclusions.....	17



Executive Summary

On 23 November 2022, the Trade Remedies Authority (TRA) initiated a transition review for Certain Cast Iron Articles originating from the People's Republic of China ('the goods subject to review').

The UK Trade Remedies Authority carries out a transition review of each trade remedy measure active under the European Union (EU) system that the UK transitioned following the exit from the EU.

More information about the case can be found on the public file:

[Case TD0029 public case file](#)

The Period of Investigation (POI) is from 1 October 2021 to 30 September 2022.

Alumasc Building Products Ltd (ABP) is an importer of the goods subject to review and returned both a completed confidential and non-confidential importer questionnaire ("questionnaire"). The TRA sought to verify the accuracy, relevance and completeness of the data submitted.

We compared questionnaire responses and accompanying evidence against information from open sources, such as Companies House, and HMRC, etc. Information was checked for consistency with audited financial statements and responses from other interested parties. A walkthrough of the accounting systems was conducted to assess the level of reliance to place on data produced by the system. An onsite verification visit was performed to assess the accuracy, relevance and completeness of the data provided in ABP's questionnaire response and supporting documents.

The TRA does not have any concerns to report in respect of ABP. We were able to verify the information provided by ABP in its questionnaire response, annex data and throughout the verification process. Where discrepancies were identified, ABP were able to provide the TRA with an updated questionnaire annex with the updated figures.

Based on the verification activity undertaken, we have a reasonable level of assurance on the accuracy, relevance and completeness of the information provided by ABP, and it can be used for the purpose of this review.



Purpose of verification

The purpose of the TRA's verification activity is to provide the assurance considered necessary to decide whether the information provided by the interested party is verifiable and can be used for the purposes of our review. Such data can then be considered in our assessments and analysis to determine whether injury is caused, or likely to be caused, to the UK industry by dumped imports of the goods concerned. This will form the basis for establishing appropriate measures where necessary, and to assess whether these are in the UK's economic interest.

Verification activity is carried out through desk-based procedures, remote analysis, and verification work on-site. The activity undertaken did not seek to verify all information provided but to undertake work considered appropriate and practicable within the time constraints of the review to obtain assurance upon which to base our decision.

This verification report documents the work completed. The TRA carried out a variety of verification procedures and checks on ABP and this report details the conclusions reached about the accuracy, relevance, and completeness of information provided.

Confidential information

ABP must provide a non-confidential version of the verification report marked as "non-confidential" in the header of the non-confidential verification report.

If any information contained in the confidential verification report is considered confidential, ABP should delete or redact those sections and provide a non-confidential summary of the information which has been removed. It must provide reasons as to why the particular information is considered confidential (see also [public guidance](#)).

The non-confidential version of the verification report will be placed on the public file.



Verification

Please find below a summary of work that has been completed and the checks that have been carried out by the case team to determine whether the information provided by the interested party in its questionnaire response is verifiable.

A-I. Company structure and associations

What information was considered	
<p>We considered the following from the questionnaire:</p> <ul style="list-style-type: none"> • General set-up, including the ownership and management of the company. • Associations. • Accounting practices and policies. 	
<ul style="list-style-type: none"> • <i>Please indicate the confidentiality status of the information summarised above:</i> 	
<input checked="" type="checkbox"/> non-confidential	<input type="checkbox"/> confidential
<p><i>If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also public guidance):</i></p>	
<p> </p>	
How the information was checked	
<p>General set-up, ownership, locations, and management</p> <p>The TRA cross-checked information provided by ABP in its questionnaire response regarding general set-up, ownership, year of establishment, location, memberships or accreditations, and number of employees by examining official documents on Companies House, including the Certificate of Incorporation and the company's audited financial reports.</p> <p>ABP is owned 100% by Alumasc Group Plc.</p> <p>ABP is made up of three divisions, called Water Management Solutions, Housebuilding Products and Building Envelope. The Water Management Solutions division imports the goods subject to review and then adds value to the goods at their Dover site to re-sell the product. The goods are still classified under the same tariff code, and therefore are still considered the goods subject to review.</p> <p>We found the information from those sources to be consistent with the information provided by the company in its questionnaire response.</p> <p>Associations</p> <p>We reviewed the company's associations by comparing audited financial reports published on Companies House, which were also examined to check whether the</p>	



Directors of ABP were associated with other companies related to the same industry. From our review of the associated parties, we identified that ABP has a significant investment plan with Qingdao Everbright. ABP explained that Everbright oversees the production in China as an agent on its behalf. We considered this relationship to be reasonable because ABP owns patents on the mouldings in China that Everbright facilitates the production.

Accounting practices and policies

The financial statements for ABP are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101). In preparing the company applies the recognition, measurement, and disclosure requirements of International Financial Reporting (IFRS) in conformity with the requirements of the Companies Act 2006.

Detailed accounting policies for the company are included in note one of the audited financial statements. We were able to verify the basis for accounts preparation, the financial year convention, the method for valuing stock, the method for depreciating assets, and the method for revenue recognition. There were no discrepancies between policies disclosed in ABP's financial statements and its response to the importer questionnaire.

Accounting system walkthrough

On 1 June 2023, the TRA conducted a remote walkthrough of ABP's accounting system, Microsoft Business Central, on how import and sales orders were tracked from order to dispatch. This contributed to our understanding of the accounting process and helped us determine whether we could rely on the accounting system for the information provided. We were also able to determine whether the procedures were automated or manual and determine whether adequate controls were in place for authorising transactions.

During the walkthrough we found that the sales process was integrated within Microsoft Business Central. We were able to agree the sales transactions selected to source documentation i.e., the invoice, purchase order, bank statement. However, in one of the sampled transactions, sales revenue was not recognised in line with the company policy, that is on dispatch of the goods. Revenue was recognised six days earlier than the dispatch date due to delivery being delayed. However, the explanation provided regarding this deviation was found to be reasonable. Cut off and relevance of transaction was tested further during the verification visit.

For purchases although the documentation was agreed to source information i.e., dispatch note, supplier invoice, bank payment, we noted that there were no controls in place during the first two months of the POI for invoices to be authorised. The Senior Management Accountant explained that the authorisation controls came into effect in December 2021, during the POI. Prior to this date, following the review of the required number of goods at a production meeting, the



Production Manager would approve for an order to be placed. There was however no evidence provided to support this explanation, as such, further transaction testing was undertaken during the verification visit and this is detailed in section B below.

Please indicate the confidentiality status of the information summarised above:

non-confidential confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

Exceptions/Findings/Adjustments

We found no issues with the data presented and checked. No adjustments or amendments were required.

Please indicate the confidentiality status of the information summarised above:

non-confidential confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

Conclusions

The information relating to company structure and associations that we have been provided by the interested party is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as accurate, relevant and complete. The data relating to the company can be used by the TRA.

Please indicate the confidentiality status of the information summarised above:

non-confidential confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):



A-II. Goods

What information was considered

We examined the following from the questionnaire:

- Product Control Number (PCN) allocations and internal coding system.
- Goods description and comparability to the like goods made and sold in the UK.
- Verification of information supplied in the questionnaire annex in relation to the supplier, the manufacturing process of the supplier and supply chain.

Please indicate the confidentiality status of the information summarised above:

non-confidential

confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

How the information was checked

PCN allocations and internal coding system

ABP have an internal coding system which assigns an Internal Code Number dependant on the products characteristics. The PCN ABP assigned to each product description, was compared against product technical sheets, website data, and invoice details to check that ABP had followed the PCN structure correctly in its questionnaire response. We did not find an occurrence of an incorrectly allocated product.

Brochures/Catalogues

We verified that the products described in the brochures had been sold during the POI by comparing them to the internal coding and PCN structure. From inspection of the warehouse during the onsite verification visit, we can confirm ABP adds value to the imported goods subject to review, by creating a large span series of access covers from smaller single unit covers as well as other goods before resale.

Goods description and comparability to the goods subject to review

The products ABP declared as not the like goods were compared against the scope of products described in the case initiation document. To ensure that the PCN structure had been followed correctly, a selection of PCNs was compared. There was no evidence that any goods had been incorrectly excluded or included.

Verification of supplier information

We cross-checked all worksheets in the questionnaire annex to ensure that there was consistency between internal product codes, PCNs, and product information



sheets. We found no product codes or PCNs in the annex document that were not described in the questionnaire. Figures allocated to each PCN in each annex could always be reconciled to the same allocation as reported in all other relevant areas of the questionnaire and matched the description of goods subject to review.

We have a reasonable level of assurance that the information relating to products that ABP has provided is verifiable and can be treated as accurate, relevant, and complete.

Please indicate the confidentiality status of the information summarised above:

non-confidential confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

Exceptions/Findings/Adjustments

We found no issues with the data presented and checked. No adjustments or amendments were required.

Please indicate the confidentiality status of the information summarised above:

non-confidential confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

Conclusions

The information relating to the company's goods that we have been provided by the interested party is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as accurate, relevant and complete. and can therefore be used by the TRA for the injury and dumping likelihood assessments, the economic interest test and for any other purpose within this review.

Please indicate the confidentiality status of the information summarised above:

non-confidential confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):



B. Imports and forward orders

What information was considered

Upwards verification

We compared the following import data in ABP questionnaire response to its trial balance, management accounts, and audited financial accounts, to ensure the data we rely on is complete:

- Total costs for imports within the POI.
- Management accounts and trial balance covering 1 October 2021 to 30 June 2022 and 1 July 2022 to 30 September 2022 and the audited accounts for 30 June 2022.
- List of products imported during the POI.

Downwards verification

- Supporting documentation for the sample of import transactions, including copy of packing list, purchase order, purchase invoice and bank payment made.

Please indicate the confidentiality status of the information summarised above:

non-confidential

confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

How the information was checked

Upwards verification

The TRA performed upwards verification to confirm the relevance and completeness of the total import data set provided in the questionnaire response. We were unable to reconcile the reported total import cost data to the financial statements for the year ending 30 June 2022. ABP's financial year runs from 1 July 2021 to 30 June 2022, which does not align with the POI for this transition review. We therefore aligned information for review using the trial balance and management accounts for both financial years, to the data contained in its questionnaire response.

The total purchases made by The Water Management Solutions division was agreed upwards to ABP's audited financial statements for the year ending 30 June 2022, no issues were identified.

During the verification visit, inconsistencies were found between data submitted in the questionnaire response to data in ABP's accounting reports. However, as a



result of the reconciliation work undertaken by the TRA on the import transactions these issues were resolved and ABP provided an updated questionnaire annex.

We are satisfied that the import data provided by ABP has been appropriately reconciled to its trial balances and can be considered as complete and relevant.

Downwards verification

The TRA performed downwards verification of import data provided by ABP to confirm the accuracy and relevance of the information provided. We traced selected transactions to source documents, checking for consistency. The weight, value, and other fields of information within the import data was traced downwards to validate the accuracy of the data submitted relating to the goods subject to review.

We selected a sample of 15 transactions for downward verification based on our analysis of trends in volume, value, and average unit price to identify outliers in the data. The sampled transactions were agreed back to source documents provided by ABP; no material issues were found.

Please indicate the confidentiality status of the information summarised above:

non-confidential confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

Exceptions/Findings/Adjustments

None

Please indicate the confidentiality status of the information summarised above:

non-confidential confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

Conclusions

The updated information relating to imports and forward orders that we have been provided by the interested party is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as accurate, relevant and complete. and can therefore be used by the TRA for the injury and dumping likelihood assessments, the economic interest test and for any other purpose within the review.



Please indicate the confidentiality status of the information summarised above:

non-confidential

confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

C. Sales

What information was considered

Upwards verification

We compared the following sales data in ABP's questionnaire annex to its trial balance, management accounts, and audited financial accounts to check for relevance and completeness:

- Total sales within the POI.
- Management accounts and trial balance covering 1 October 2021 to 30 June 2022 and 1 July 2022 to 30 September 2022 and the audited accounts for 30 June 2022.
- List of sales during the POI.

Downwards verification

- Supporting documentation for sampled sales transactions, including copy of sales order, sales invoice and bank payment were received and reviewed.

Please indicate the confidentiality status of the information summarised above:

non-confidential

confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

How the information was checked

Upwards verification

We performed upwards verification to confirm the relevance and completeness of the total sales data set provided in the questionnaire response. As noted above, ABP's financial year and the POI do not align. We therefore used the financial statements, the trial balances and management accounts and were able to ascertain the completeness of information provided in the questionnaire response. As The Water Management Solutions is a division of ABP, the total sales was agreed upwards to ABP's audited financial statements for year ending 30 June 2022.



During the verification visit, issues were encountered when reconciling transaction data submitted in the questionnaire annex to sales data in ABP's accounting systems. The TRA carried out an analysis of data for all goods (both in scope and out of scope) for the POI and reconciled this to the trial balance and management accounts. We noted that credit notes and sales from other countries for the goods subject to review were not included in the sales transactional listing; ABP addressed these issues and provided a revised Sales transactions questionnaire annex.

The revised sales data provided by ABP reconciled to its trial balances and can be considered as complete and relevant.

Downwards verification

The TRA performed downwards verification of sales data provided by ABP to confirm the accuracy and relevance of the information provided. We traced selected transactions to source documents, checking for consistence. Source documents included copies of sales invoices, proof of delivery and payment received from the customer into the bank account. The volume, value, and other fields of information within the sales data was traced downwards to validate the accuracy of the data submitted.

We selected a sample of 14 transactions for downward verification.

Two transactions had a transaction currency other than GBP; these were reconciled to values with insignificant variances from the data provided. The variances were due to the slight variation in exchange rates used by ABP compared to those independently obtained by the TRA.

One of the selected invoices did not reconcile back to the delivery note due to an error in the recorded weight in the transaction listing. The results of the testing are that 13 of the 14 selected transactions passed our testing with the information and evidence provided by ABP.

Price reductions

ABP's questionnaire response was examined for any evidence of price reductions. We compared pricing for the same PCN across different customers. In the questionnaire annex, a total rebate value of £9,274.30 was disclosed and agreed to supporting calculations and a credit note provided to the customer. Due to the low value of rebates disclosed, further examination of the general ledger was undertaken including review of the top five customers per the sales listing provided in the questionnaire annex and the corresponding contracts for any undisclosed rebates. There were no issues noted from the testing, we have assurance that no further rebates were provided during the POI.



The trial balance for the POI denoted discounts at an immaterial level. However, during sample testing it was determined that both on-invoice and off-invoice discounts were incorporated within the net value of the invoice. The value of £67K for on-invoice discounts was split off, however off-invoice discounts could not be accurately removed as these are captured outside the system. However, the average discount identified was insignificant. This was deemed immaterial, and no further work was completed.

Please indicate the confidentiality status of the information summarised above:

non-confidential confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

Exceptions/Findings/Adjustments

None

Please indicate the confidentiality status of the information summarised above:

non-confidential confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

Conclusions

The updated information relating to sales that we have been provided by the interested party is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as accurate, relevant and complete. and can therefore be used by the TRA for the injury and dumping likelihood assessments, the economic interest test and for any other purpose within the review.

Please indicate the confidentiality status of the information summarised above:

non-confidential confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

D. Economic Interest Test



What information was considered

ABP completed Section E of its questionnaire regarding the Economic Interest Test (EIT). Its responses provided commentary on:

- Geographical locations of sites.
- Employment figures by site and breakdown relating to the number of Full Time Equivalent (FTE) working on the Goods Subject to Review.
- Median wage data per site.
- Impact on its market share if the Anti-dumping Duty (ADD) were removed.
- Impact on the market price of the Goods Subject to Review if the ADD were removed.

Please indicate the confidentiality status of the information summarised above:

non-confidential

confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

How the information was checked

We reviewed the questionnaire responses, annex data and supporting evidence to determine whether the information provided in relation to EIT can be used for the purposes of the Economic Interest Test assessment.

We selected a sample of upstream suppliers and downstream customers and verified a sample of sales transactions and its company locations during the verification visit, conducted between 19 and 21 June 2023.

We requested further evidence whilst on site to verify the number of employees working for ABP, as broken down by its two sites. They provided payroll data, and we were able to conclude this information was verifiable and complete. Whilst on site during the verification visit, we asked ABP to explain its methodology for how they allocated the number of employees working on the Goods Subject to Review, and its methodology appeared reasonable. A list of employees working on the Goods Subject to Review was produced manually. We were able to cross-check this information with HR records, and carryout a head count at the Dover site. The data provided by ABP was reasonable and within the acceptable parameters for the purposes of the EIT assessment.

In order to verify the median wage data, we requested a breakdown of the wage bill which we were able to agree to the audited financial accounts. From this breakdown, we were able to replicate the calculations in order to reach the median



wage for each site. This information was verifiable and accurate for the purposes of the EIT assessment.

The information provided by ABP in its questionnaire responses, in relation to market share if the ADD were removed, was not supported by evidence. We asked further questions on site to probe its responses in the questionnaire, however we were unable to verify these statements. This is understandable, as this is both forward looking and hypothetical.

The information provided by ABP in its questionnaire responses, in relation to market price of the Goods Subject to Review if the ADD were removed, was not supported by evidence. As this is forward thinking this was found to be reasonable. We asked further questions on site to probe its responses in the questionnaire, we were unable to verify these statements but found them reasonable.

Please indicate the confidentiality status of the information summarised above:

non-confidential confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

Exceptions/Findings/Adjustments

None

Please indicate the confidentiality status of the information summarised above:

non-confidential confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

Conclusions

The information relating to EIT that we have been provided by the interested party where data was available, is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as accurate, relevant and complete. The data can be used by the TRA for purpose of this review. Data, such as the forward looking information was determined to be not verifiable. However, the TRA found the information and reasoning given by ABP to be acceptable and therefore this data can be used for the purpose of this review.

Please indicate the confidentiality status of the information summarised above:



non-confidential

confidential

If applicable, please specify what particular information you consider to be confidential, provide reasons as to why we should treat it as such, and create a non-confidential version of it (see also [public guidance](#)):

Conclusions

We have completed our verification of the data provided by ABP for use in our assessments. We were originally not able to reconcile the sales and import purchase data supplied within the questionnaire annex to its accounting systems. ABP was able to provide us with a revised questionnaire annex for sales and imports that agree to its accounting system.

We have obtained sufficient and appropriate evidence to conclude that the information provided by the company under all the sections above is verifiable. Therefore, we have a reasonable level of assurance that the information is accurate, relevant, and complete for the purpose of this review.

Annex 1: Meetings

Date and duration	Type of authentication	Company representatives	TRA representatives
1 June 2023	<input checked="" type="checkbox"/> remote <input type="checkbox"/> on-site	James Phelps Peter Burnap	David Sibley Jessica Potter Manjot Bajwa Jonathon Farrell Saima Valli
15 June 2023	<input checked="" type="checkbox"/> remote <input type="checkbox"/> on-site	James Phelps	Manjot Bajwa Saima Valli
19 – 21 June 2023	<input type="checkbox"/> remote <input checked="" type="checkbox"/> on-site	James Phelps Peter Burnap Dermot Sterne	Jessica Potter Manjot Bajwa Jonathon Farrell Saima Valli