



## Verification report – UK Producer

### Case AS0020: Ironing Boards imported into the United Kingdom from the Republic of Türkiye

Period of Investigation (POI):	1 January 2021 to 31 December 2021
Injury Period:	1 January 2018 to 31 December 2021
Date of report:	20 January 2023
Case team contact details:	<a href="mailto:AS0020@traderemedies.gov.uk">AS0020@traderemedies.gov.uk</a>
Company verified:	Confidential (UK Producer)

For further details, please see the [original notice of initiation](#) and the [amended notice of initiation](#) on the public file.



## Contents

<b>Executive Summary .....</b>	<b>3</b>
<b>Purpose of verification .....</b>	<b>4</b>
<b>Confidential information .....</b>	<b>4</b>
<b>Verification.....</b>	<b>5</b>
<b>A-I. Company structure and associations.....</b>	<b>5</b>
A-II. Goods .....	8
B. Sales .....	10
C. Costs.....	13
D. Injury .....	17
E. Economic Interest Test.....	21
<b>Conclusions.....</b>	<b>23</b>
<b>Annexes .....</b>	<b>24</b>
Annex 1: Meetings .....	24
Annex 2: Injury assessment.....	25
<b>Appendices.....</b>	<b>Error! Bookmark not defined.</b>
1: Cost to Make and Sell data.....	<b>Error! Bookmark not defined.</b>
2: Transaction-by-transaction listing .....	<b>Error! Bookmark not defined.</b>



## Executive Summary

On 07 April 2022, the Trade Remedies Authority (TRA) initiated an investigation into the alleged subsidisation of ironing boards being imported into the UK from the Republic of Türkiye.

As part of the investigation, the TRA has sought to assess the completeness, relevance, and accuracy of the information the sole UK Producer of ironing boards provided in their questionnaire response. This covered their company structure and associations, the goods they produce, costs of production, sales, alleged injury, and the economic impact of applying measures.

During the verification process, the TRA compared the UK Producer's questionnaire response (including their questionnaire-annex data and other supporting evidence) to information from open sources, such as Companies House, HM Revenue & Customs (HMRC), the UK Producer's website, and the responses received from other interested parties. We scrutinised the information for internal consistency and reconciled financial data to the audited financial statements.

Between 30 August and 1 September 2022, the TRA also conducted an onsite verification visit at the UK Producer's premises.

We were able to verify the information provided by the UK Producer in their:

- questionnaire response,
- annexed data; and
- throughout the verification process.

We have, with the UK Producer's agreement, adjusted the following data and will rely on this adjusted data for the purpose of its use in our injury assessment:

- *Consultancy Fee*: The TRA has removed this figure from the costs of sales because it is an associated party transaction without sufficient evidence that it is at arm's length.
- *Energy Costs*: We recalculated the relevant energy costs based on updated information.
- *Market Share*: We recalculated the UK Producer's market share based on landed price, rather than the retail price.
- *Return on Investment*: The TRA has recalculated Return on Investment as a percentage, rather than a monetary figure.

Based on the verification activities that we have undertaken, we have a reasonable level of assurance on the accuracy and completeness of the information provided by the UK Producer, and can therefore use it for the purpose of this investigation.



## Purpose of verification

The purpose of the TRA's verification activity is to provide the assurance considered necessary to make a decision as to whether the information (data) provided by the UK Producer is verifiable and can be used for the purposes of our investigation. We drew a reasonable level of assurance on the completeness, accuracy and relevance of information deemed verifiable. Such data may then be considered in our assessments and analysis to determine whether injury is caused or likely to be caused to the UK industry by subsidised 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.

We carried out verification activities using desk analysis and work on-site. The activities we undertook did not seek to verify all information provided. We undertook the work considered appropriate and possible within the time constraints of the investigation to obtain a reasonable level of assurance on which to base a decision..

This verification report documents the work we have completed, the checks the case team carried out and conclusions we have reached about the reliability of information provided by the UK Producer.

## Confidential information

The UK Producer 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, the UK Producer 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 UK Producer in their questionnaire response is verifiable.

### A-I. Company structure and associations

#### What information was considered

The TRA considered the information that the UK Producer provided on the following areas:

- Company details.
- Organisational structure.
- Turnover and size.
- Product range and location.
- Associated parties.

We also reviewed the UK Producer's accounting systems in the following areas:

- The accounting practices and policies
- The accounting systems used, how well they integrated and the level of automation across the systems.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

#### How the information was checked

We checked the UK Producer's submitted information for consistency with their audited financial statements and consistency with the responses from other interested parties.

##### **General set-up, ownership and management**

The TRA cross-checked the information provided by the UK Producer on their general set-up, ownership, and management against publicly held information. This included the details reported on Companies House and the UK Producer's most recent audited financial reports and their website. Information has also been taken from non-domestic companies registries where it pertained to a non-domestic company. We found the information from the open sources to be consistent with the information we received from the UK Producer.

##### **Facility locations and product range**



We compared the information provided by the UK Producer against information on their website. We checked the details it submitted about their product range against what they advertises to their customers. We found the information on the UK Producer's website to be consistent with the questionnaire responses received from the UK Producer.

We also reviewed the information they reported regarding the location of their facilities against third party websites; we did not identify any errors or omissions in the information. We completed a verification visit of the UK Producer's premises, which involved a familiarisation tour of their full production process. We found that the information provided by the UK Producer in their questionnaire responses was consistent with the publicly available information we checked.

### **Associated parties**

We reviewed the information the UK Producer provided in their questionnaire response and annexed data regarding their associated companies to identify if they reported their associations. To verify the information, we cross-checked their response to information found on their audited financial statements and Companies House records. We found the UK producer's response to be consistent with the information obtained from the open sources. We also checked Companies House records to determine whether the company's directors or shareholders have associations with other companies which have not been disclosed. We did not identify any undisclosed associations.

### **Accounting systems**

We conducted a walkthrough of the UK Producer's accounting systems and processes to assess how much reliance we can place on their information. The walkthrough allowed us to get a better understanding of the accounting systems described in the questionnaire response and to assess the level of reliance to place on the system and the data provided from it.

The UK Producer showed us how cost and sales are recorded on the system and explained the processes from initiation to end. We saw evidence of the audit trail on transactions including the time stamps and the record of who worked on the transactions. The UK Producer also showed us how it retrieved information from the system.

We identified that the accounting system appeared to be logical and well administered. We identified the controls in place in the form of segregation of duties and authorisation of transactions. We identified that there was minimal manual input, however, where there were manual interventions in inputting transactions, we identified that there were authorisations to mitigate any risk of errors.

Based on this walkthrough, we gained a reasonable level of assurance on the reliability of the systems in place from which the UK Producer obtained the data it provided to us.



*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

#### Exceptions/Findings/Adjustments

The TRA has no exceptions, findings, or adjustments to report with regards to the UK Producer's company structure and associations.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

#### Conclusions

The information relating to company structure and associations that we have been provided by UK Producer is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant and accurate and can therefore be used by the TRA for the injury margin calculation, the Economic Interest Test, and for any other purpose within the investigation.

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## A-II. Goods

### What information was considered

- Questionnaire responses and annexed details of the PCN Comparison listing.
- Transactional listing for their sales in the UK for the POI.
- Internal model number guidance documents.
- Sample sales documents and product brochures.
- Characteristics of the Like Goods as described in the notice of initiation and amended notice of initiation.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

### How the information was checked

The TRA completed a desk review of the UK Producer's commentary regarding their manufacturing process and the goods they produce. We subsequently reviewed these during our on-site familiarisation visit - which involved a physical walkthrough of the full production process. We found the production process and products to be same as the UK Producer's description of the goods they produce (the Like Goods) and similar to the characteristics of the Goods Concerned.

We reviewed a copy of the UK Producer's internal models guide setting out how their product codes are constructed. We were then able to reconstruct the quoted PCNs they had assigned for each sale on their transaction listing. We used both the general/technical descriptors provided, and the applicable sample sales documents obtained in the verification activities in [Section B](#), below. We found that the PCNs have been allocated to the Like Goods in line with the PCN guide provided in the questionnaire.

We were also able to cross-reference the UK Producer's commentary around the products it produces against its own website and its product brochures, as well as the websites of companies it sold to during the POI. We found the UK Producer's responses to be consistent with the information across these sources.

We have a reasonable level of assurance that the goods the UK Producer produces are the Like Goods and the PCNs it has assigned to these goods can be treated as accurate for the purpose of this investigation.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*





#### Exceptions/Findings/Adjustments

The TRA has no exceptions, findings, or adjustments to report with regards to the goods produced by the UK Producer.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

#### Conclusions

The information relating to the company's goods that we have been provided by the UK Producer is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant and accurate and can therefore be used by the TRA for the injury margin calculation, and any other purpose within the investigation.

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## B. Sales

### What information was considered

The TRA analysed the UK producer's:

- Questionnaire responses and annex.
- Audited financial accounts for the full injury period.
- Management accounts and trial balance for the POI.
- Transaction listing for its domestic sales of the Like Goods during the POI.
- Sales reconciliation figures for the POI.
- Domestic sales during the POI (a risk based sample).
- Standard sales contract and its associated party sales.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

### How the information was checked

#### **Upwards Verification**

We performed upwards verification of the UK Producer's sales data reported in the questionnaire annex by reconciling it to the audited financial accounts to test it for completeness.

The TRA reconciled the UK Producer's total reported sales figures for the POI with its audited financial statements. As the UK Producer's statements are made up to the year ending 30 September 2021, we had to align the audited accounts to the POI using the management accounts and the auditors working papers for the period 1 January 2021 to 30 September 2021.

We were able to reconcile the sales figures reported in the questionnaire annex to the management accounts and to the financial statements. We gained a reasonable level of assurance over the completeness of the sales data for the Like Goods for the POI.

#### **Downwards Verification**

In the downwards verification, we assessed the accuracy and relevance of the sales data submitted by the UK Producer against source documents by selecting a sample of sales transactions through a risk and materiality based approach for testing.



During our on-site verification visit, the TRA asked the UK Producer to provide a complete set of sales documents for a sample of the reported sales in the annex data which we selected. The source documents we requested consisted of:

- Copies of sales orders.
- Copies of sales invoices.
- Proof of payment.
- Proof of delivery.

The TRA assessed the accuracy of the sales data by verifying the information submitted against the source documents the UK Producer provided. We also checked the PCNs had been correctly identified for each transaction. The UK Producer was unable to provide proof of delivery as there is no document recording this information in use. In response, they explained that if they did not deliver the items the customers would simply not pay for them. As we could confirm receipt of payment for all the sales, we considered the explanation to be reasonable. We were able to match the sales transactions to the other source documents we requested and did not identify any material discrepancy.

During the transaction selection process, we had identified that the UK Producer included sales to overseas associated companies in the original questionnaire annex data. During the verification visit, we asked the UK Producer to review whether these exported sales included in the domestic transaction listing were actual exported. They identified it was an error and provided an updated domestic sales transaction listing. We reviewed the updated sales transaction listing and found it to be consistent with our expectation from the work completed in the upwards verification.

We have a reasonable level of assurance regarding the accuracy and relevance of the detailed sales transactions listing provided by the UK Producer in their questionnaire annex.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

#### Exceptions/Findings/Adjustments

The TRA has no exceptions, findings or adjustments to report with regards to the UK Producer's sales.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

#### Conclusions



The information relating to the company's goods that we have been provided with by the UK Producer is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant and accurate and can therefore be used by the TRA for this investigation.

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## C. Costs

### What information was considered

The TRA analysed the UK producer's:

- Audited financial accounts for the full injury period.
- Management accounts and trial balance for the POI.
- Total Cost To Make (CTM) reconciliation figures for the POI
- Transaction listing of raw material purchases during the POI.
- Purchase documents for a risk-based sample of cost transactions for the POI.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

### How the information was checked

#### **Upwards verification**

Through upwards verification, we confirmed the completeness of the Cost to Make (CTM) data submitted by the UK Producer by reconciling it to their audited accounts. We reconciled the UK Producer's total reported CTM figures for the POI to its audited financial statements using their management accounts and their trial balance.

The UK Producer's financial year did not match the POI; therefore, it provided management accounts, trial balances, auditor's workings and relevant journals as evidence to support the figures provided. Using the management accounts, we were able to align the audited financial accounts to the POI. Then, we reconciled the CTM data it provided for the Like Goods in the questionnaire response to the financial statements and did not identify any material variance. After reconciling the CTM data to the audited accounts, we gained a reasonable level of assurance that the CTM data the UK Producer provided in its questionnaire annex can be treated as complete.

#### **Downwards Verification**

In the downwards verification, we assessed the accuracy and relevance of the CTM data submitted by the UK Producer against source documents by selecting a sample of CTM transactions through a risk and materiality based approach for testing.

- **Direct costs**

During our on-site verification visit, the TRA asked the UK Producer to provide a complete set of source documents for a sample of the reported raw material purchases in the annex data. The documents we requested consisted of:



- copies of purchase orders,
- invoices,
- proof of payment, and
- proof of delivery.

We assessed the accuracy of the purchase data by cross-checking the information submitted against the source documents the UK Producer provided. We found the details reported for the transactions we tested agreed with the information on purchase invoices, purchase orders, proof of payment and proof of delivery.

The documents we reviewed were also consistent with our expectations from the full step by step walkthrough of the UK Producer's raw materials procurement process we had undertaken. From the walkthrough, we had gained an understanding of the UK Producer's process of recording raw materials purchases from the point of raising the purchase order to receipt of payment and material usage. We found the information to be reasonable and did not identify any irregularities or discrepancies.

We also completed verification of the direct labour cost for the Like Goods for the POI to ascertain the level of reliance the TRA can place on the data. To do this, we requested that the UK Producer provide extracts of its payroll for two months of the POI (selected based on risk analysis completed for the UK Producer's CTM data) for testing. During the accounting system walkthrough, the UK producer had explained that the direct labour costs are recorded based on labour time per unit and showed us how it records this on the accounting system. We reviewed the payroll and were able to estimate the direct labour cost for the Like Goods for the POI which matched the figures the UK Producer reported in the questionnaire response. We did not identify any inconsistencies in direct labour cost.

From our review, we gained a reasonable level of assurance over the relevance and accuracy of the UK Producer's direct cost reported for the Like Goods for the POI. This data can therefore be used in the injury margins calculation, and for any other purpose in this investigation.

- ***Manufacturing overhead costs***

The TRA reviewed the UK Producer's manufacturing overhead costs including depreciation. We obtained and reviewed its depreciation policy to ascertain the reasonableness of the depreciation cost reported for the Like Goods for the POI and whether the costs are in line with its policy. We also scrutinised the UK Producer's fixed asset register and recalculated the depreciation figures reported and found them to be consistently in line with the company's policy. During the on-site verification visit, the UK Producer further explained the application of its depreciation policies. We found the methodology used to be consistent with the company's policy.



As part of verifying the manufacturing overhead costs, we also reviewed the payments made for energy costs during the POI. The UK Producer provided the monthly energy supply invoices and payments and we compared them to the figures reported in the questionnaire annex. We identified that there was a discrepancy between the total values in the source documents and the value listed in the questionnaire annex data. After notifying the UK Producer of this discrepancy, they reviewed their figures and noted a reversed transaction that had not been considered. The UK Producer submitted an updated figure for electricity payments. As the error identified in the energy cost data was corrected, we now have a reasonable level of assurance that the energy cost can be treated as relevant and accurate for the purpose of this investigation.

- **Administrative, Selling and General (AS&G) costs**

We performed an analytical review of the administrative, selling and general (AS&G) costs, and noted a discrepancy in the allocation of 'Web Selling Fees' and 'Other Selling Costs' to the Like Goods. While the UK Producer allocated selling costs to the Like Goods on the basis of sales, the allocation for the 'Web Selling Fees' and 'Other Selling Costs' had different ratios. We asked the UK Producer to review the discrepancy and they discovered that the amount reported for 'Web Selling Fees' and 'Other Selling Costs' had been erroneously swapped. Following this, the figures were resubmitted correctly. We reviewed the updated submission and found the cost allocations were now correctly allocated on the basis of sales.

- **Associated Party Transactions AS&G costs**

We reviewed the associated party transactions, which were consultancy fees charged by a related party company. After reviewing the invoices for these transactions, we were unable to verify that the payments were made at market value and therefore could not conclude that the consultancy fee is a fairly attributable cost for the purposes of injury calculation. As such we have determined to exclude it from the injury calculations for the purpose of this investigation.

After making the amendments, the TRA gained a reasonable level of assurance, that the AS&G costs can be treated as relevant and accurate for use in the injury margin calculation, and for any other purpose in this investigation.

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Exceptions/Findings/Adjustments



Necessary adjustments have been made to the CTM and AS&G costs for energy, 'Web Selling Fees', 'Other Selling Costs' and consultancy fees. An updated version of the Cost to Make and Sell data has been included in the Appendices (1).

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

## Conclusions

The information relating to the company's goods that we have been provided with by the UK Producer is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant and accurate and can therefore be used by the TRA for this investigation.

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## D. Injury

### What information was considered

- Turnover Figures (Annex 2 (2.1))
- Net Profit Figures (Annex 2 (2.2))
- Output Figures (Annex 2 (2.3))
- Market Share (Annex 2 (2.4))
- Return on Investment (Annex 2 (2.5))
- Utilisation of Capacity (Annex 2 (2.6))
- Cashflow (Annex 2 (2.7))
- Employment, Median Wages and Productivity (Annex 2 (2.8))
- Inventory (Annex 2 (2.9))

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

### How the information was checked

#### **Turnover Figures**

The UK Producer provided turnover figures split between domestic and export sales for the POI. The TRA reconciled these figures for the POI to reports from the UK Producer's accounting software and the audited accounts.

Please refer to [Section B](#) for the sales verification activities we have undertaken for the POI, which have provided us with a reasonable level of assurance that the information relating to sales data that the UK Producer provided is complete, relevant, and accurate.

The data relating to turnover for the injury period is verifiable. Based on the work above, we have a reasonable level of assurance that the domestic sales data can be treated as complete, relevant, and accurate. Therefore, it can be used by the TRA for this investigation.

#### **Profit Figures**

The UK Producer provided profit figures for the period in question. The TRA reconciled these figures for the POI to the UK Producer's management accounts for the POI and their audited accounts. Profit figures were provided for the whole company and split into Like Goods, for which separate management accounts were also provided.

We verified the CTM and sales figures of the Like Goods which were used to calculate the profit figures in the management accounts and injury section of the questionnaire annex.



Please refer to [Section B](#) and [Section C](#) above for our sales and costs verification activities respectively. Through this verification, we have obtained a reasonable level of assurance that the information relating to profit that the UK Producer has provided is complete, relevant, and accurate.

The data relating to profit is also verifiable. Based on the work above, we have a reasonable level of assurance that the domestic sales volume data can be treated as complete, relevant, and accurate. Therefore, it can be used by the TRA for the purposes of this investigation.

### **Output**

The UK Producer provided output figures for the injury period and POI. They further provided a spreadsheet showing a breakdown of all production during the POI which was used to reconcile the information as being accurate for that period and provided a reasonable methodology to conclude the additional periods are also accurate. The figures for output is attached below as [Annex 2 \(A2.3\)](#).

### **Market Share**

The UK Producer advised it had estimated its market share figures using statistical information from HMRC. The TRA attempted to verify these figures using data from various third party sources available to us including UK Trade data. We also considered relevant information provided from other contributors, taking into account the extent to which the data from the other contributors was verifiable. The figures for market share are attached below as [Annex 2 \(A2.4\)](#).

### **Return on Investment**

The UK Producer provided its return on investment figures, as a duplicate of the net cashflow figures. The TRA verified these figures as part of the verification process in [Section B](#) and [Section C](#), however the TRA was required to calculate return on investment in a different manner to that which was accepted by the UK Producer. We verified the figures used (profit and fixed asset investments) for the recalculation in [Section B](#) and [Section C](#). We have a reasonable level of assurance over the accuracy of the return on investment figure for use in the injury analysis. The return on investment figures are attached below as [Annex 2 \(A2.5\)](#).

### **Utilisation of Capacity**

The UK Producer calculated its capacity level based on the maximum production capacity of its ironing board factory. It considered the number of working hours available multiplied by total output. Capacity utilisation was calculated by dividing actual production of the Like Goods in the period over the maximum capacity figure. The TRA reviewed the calculations



and considered the explanation on how these were obtained to be in line with industry norms.

The data relating to capacity utilisation is verifiable. Based on the work above, the TRA has a reasonable level of assurance that the capacity and capacity utilisation data can be treated as complete, relevant, and accurate. The figures verified for utilisation of capacity are attached below as [Annex 2 \(A2.6\)](#).

### **Cashflow**

The UK Producer provided cashflow figures for the Like Goods in the injury period. They also provided the management accounts' monthly cashflow for the financial year.

The data relating to cashflow is verifiable based on the information provided by the UK Producer. The TRA has a reasonable level of assurance that the cashflow data can be treated as complete, relevant, and accurate. Therefore, it can be used by the TRA for the injury assessment in this investigation. The cashflow data is presented in [Annex 2 \(A2.7\)](#) below.

### **Employment, Median Wages and Productivity**

The UK Producer has provided information relating to the total number of employees, and those working directly on the Like Goods, as well as a breakdown of the wages of those employees for the period in question. This information can be combined with the output figures to produce a productivity figure for each year.

The data relating to employment, median wages and productivity is verifiable based on the information provided by the UK Producer. The TRA therefore has a reasonable level of assurance that the employment, median wages and productivity data can be treated as complete, relevant, and accurate for use by the TRA for this investigation. The employment, median wages and productivity data is presented in [Annex 2 \(A2.8\)](#) below.

### **Inventory**

The UK Producer has provided information relating to inventory for the injury period and the POI based on units, value and weight with separate entries for inventory that has been purchased.

The UK Producer also provided a list of adjustments for the POI which, when combined with output, sales, opening and closing stock figures, we have used to be able to verify the inventory figures for the POI to the management accounts. Based on this, we have a reasonable level of assurance that the injury period figures are verifiable and can be treated as complete and relevant for the purpose of the injury assessment. The inventory data is presented in [Annex 2 \(A2.9\)](#) below.



*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

## Exceptions/Findings/Adjustments

### **Market Share**

Whilst the TRA is able to verify the information used in the UK Producer's calculations, it is unable to use that information in the injury calculations.

When calculating market share the TRA uses a system based on 'landed price'. Landed price is defined as the price of the dumped goods or subsidised imports when they arrive at the UK port. It equates to the CIF (Cost, Insurance and Freight) import price plus any relevant import duties and other costs associated with import. Further details can be found on the TRA's website here: [How we assess injury - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

This means the TRA will have to make an adjustment and rely on our own calculations of market share based on the facts available – see [Annex 2 \(A2.4\)](#).

### **Return on Investment**

The UK Producer stated the total returns on the Like Goods as the return on investment. The TRA calculated return on investment by dividing the returns by the total asset value. This means the TRA has made an adjustment and relied on our own calculations of return on investment based on the verified facts available – see [Annex 2 \(A2.5\)](#).

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

## Conclusions

The information relating to the company's goods that we have been provided with by the UK Producer is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant and accurate and can therefore be used by the TRA for the injury calculations, injury assessment, and any other purpose in this investigation.

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## E. Economic Interest Test

### What information was considered

- UK Producers of ironing boards.
- Location of sites.
- Supply chain.
- Employment/median wage.
- Sales downstream.
- Market share.
- Relative significance of ironing boards to the UK Producer.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

### How the information was checked

#### **UK Producers of Ironing Boards**

The UK Producer identified itself as a UK based producer of ironing boards. We verified this information as part of the company's information. Please refer to [Section A-I](#) for further details.

No other UK Producers of ironing boards have been identified.

#### **Location of Sites**

The UK Producer provided the details of its production and office facilities.

The TRA was able to verify the location of the UK Producer's production and office facilities through verification visits to the sites.

#### **Supply Chain**

The TRA reviewed the information it was provided with by the UK Producer about its production process, and was able to observe the factory in operation during a verification visit. This included information related to the sourcing and supply of materials.

The TRA also completed independent research into the UK Producer's raw materials suppliers, reviewing websites to confirm they supplied relevant products.

Raw material costs, including a sample selection of transactions, were considered as part of the TRA's downward verification of costs as described in [Section C](#).

We identified sales to a total of 79 different companies, and 23,139 direct sales to customers from the domestic sales transaction listing provided for the POI.



### **Employment/Median Wage**

Please refer to [Section D](#) for direct verification activities for information provided for the UK Producer's employees.

The TRA also considered information about the general employment market by completing its own third party research. This research supported our findings regarding employment in the UK Producer's local region, and median wages.

### **Market share**

Please refer to [Section D](#), for direct verification activities for information provided for the UK Producer's market share and [Annex 2 \(A2.4\)](#) for the adjustment made.

### **Relative significance of ironing boards to the UK Producer**

The TRA was able to complete upwards and downwards verification of the UK Producer's sales as set in out in [Section B](#).

We concluded that the sales of ironing boards do represent a significant portion of the UK Producer's total sales volume.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

### **Exceptions/Findings/Adjustments**

The TRA has no exceptions, findings or adjustments to the Economic Interest Test data.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*

### **Conclusions**

The information relating to the Economic Interest Test that we have been provided with by the UK Producer is verifiable. Based on the work we have done, we have a reasonable level of assurance that the information can be treated as complete, relevant and accurate and can therefore be used by the TRA for this investigation.

*If you have redacted or removed any information, please provide reasons as to why the information is considered confidential (see [Confidential information](#)):*



## Conclusions

Having completed a walkthrough and upwards and downwards verification of the UK Producer, we have seen that the data it supplied in its questionnaire responses and annexes is verifiable. We have obtained a reasonable assurance that the information is complete, relevant, and accurate for the purposes of this investigation.

We identified that the UK Producer is a producer of the Like Goods in the UK. We noted that there was an established system for recording sales and cost transactions, and we gained an understanding of the accounting system from which it produced the data provided to the TRA for this investigation. We did not identify any material error that would affect the dataset to be used in the investigation.

During the on-site verification, the UK Producer answered our questions when we needed clarifications. The UK Producer provided the requested source documents to support the data reported in the questionnaires and annexes. We verified the information in the source documents and found them to be consistent with the data in the questionnaire submissions.

We noted that the UK Producer had erroneously included export sales in its domestic sales transaction listing annex and, during the verification visit, they corrected the error and gave us a new listing which we tested and found to be complete. The UK Producer agreed to the consultancy fee, and energy costs adjustments we made to the Costs to Make reported in the questionnaire annex. They also agreed to the methodology used to calculate the market share and return on investment.

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



## Annexes

### Annex 1: Meetings

Date and duration	Type of verification	Company representatives	TRA representatives
30 August - 01 September 2022	<input type="checkbox"/> remote <input checked="" type="checkbox"/> on-site	Finance Director	Representative 1 Representative 2 Representative 3





## Annex 2: Injury assessment

### A2.1 Turnover Figures

The UK Producer presented data for its turnover for each of the 12 month periods of the injury period (1 January 2018 – 31 December 2020) and the POI (1 January 2021 – 31 December 2021). This can be seen in the following table (indexing based on 2018 figures):

Table 1: UK Producer - Turnover Figures

	2018	2019	2020	2021
<b>Whole Company Turnover</b>	£35,172,501	£44,366,154	£48,600,579	£42,683,625
<b>Whole Company Turnover index</b>	100	126	138	121
<b>Like Goods Turnover</b>				
<b>Like Goods Turnover Index</b>	100	101	85	92

*Like goods turnover\* actuals have been redacted this is confidential financial information which if made public would disadvantage the producer.*

### A2.2 Net Profit Figures

The UK Producer presented data for its net profit for each of the 12 month periods of the injury period (1 January 2018 – 31 December 2020) and the POI (1 January 2021 – 31 December 2021). This can be seen in the following table (indexing based on 2018 figures):

Table 2: UK Producer - Net Profit

	2018	2019	2020	2021
<b>Company Net Profit</b>	£1,274,200	£3,005,300	£4,711,560	£1,830,150
<b>Company Net Profit index</b>	100	236	370	144
<b>Like Goods Net Profit</b>				
<b>Like Goods Net Profit Index</b>	-100	-2273	-1434	-2749
<b>Like Goods Net Profit Margin</b>				
<b>Like Goods Net Profit Margin Index</b>	-100	-2750	-2050	-3650

*Like Goods Net profit\* actuals have been redacted this is confidential financial information which if made public would disadvantage the producer. Like Goods Net Profit Margin\* actuals have been redacted this is confidential financial information which if made public would disadvantage the producer.*



## A2.3 Output

The UK Producer presented data for its Output for each of the 12 month periods of the injury period (1 January 2018 – 31 December 2020) and the POI (1 January 2021 – 31 December 2021). This can be seen in the following table (indexing based on 2018 figures):

Table 3: UK Producer - Output

	2018	2019	2020	2021
<b>Volume (Kgs)</b>				
<b>Volume (Kgs) Indexed</b>	100	98	79	75
<b>Volume (PCS)</b>				
<b>Volume (PCS) Indexed</b>	100	98	79	77
<b>Value</b>				
<b>Value Indexed</b>	100	102	84	93

*Volume\* & Value\* actuals have been redacted this is confidential financial information which if made public would disadvantage the producer.*

## A2.4 Market Share

The UK Producer presented data for its market share for each of the 12 month periods of the injury period (1 January 2018 – 31 December 2020) and the POI (1 January 2021 – 31 December 2021). This can be seen in the following table (indexing based on 2018 figures):

Table 4: UK Producer - Market Share (UK Producer Calculation)

	2018	2019	2020	2021
<b>Market Share</b>	30%-45%	25%-40%	30%-45%	25%-40%
<b>Market Share Index</b>	100	94	112	88

The TRA's market share calculations are based on information received from HM Revenue and Customs, combined with the UK Producer's verified submissions, for each of the 12 month periods of the injury period (1 January 2018 – 31 December 2020) and the POI (1 January 2021 – 31 December 2021). This can be seen in the following table (indexing based on 2018 figures):

Table 5: UK Producer - Market Share (TRA Calculation)

	2018	2019	2020	2021
<b>Share by Value</b>	40%-55%	35%-50%	40%-55%	35%-50%
<b>Share by Value Index</b>	100	96	105	85
<b>Share by Kgs</b>	35%-50%	30%-45%	35%-50%	30%-45%
<b>Share by Kgs Index</b>	100	97	111	104
<b>Share by Units</b>	25%-40%	20%-35%	25%-40%	25%-40%
<b>Share by Units Index</b>	100	97	112	107

The TRA made an assumption for the average weight of imported ironing boards being 4.5kgs.



## A2.5 Return on Investment

The UK Producer presented data for its return on investment for each of the 12 month periods of the injury period (1 January 2018 – 31 December 2020) and the POI (1 January 2021 – 31 December 2021). This can be seen in the following table (indexing based on 2018 figures):

Table 6: UK Producer - Return on Investment (UK Producer Calculation)

	2018	2019	2020	2021
<b>Rol</b>				
<b>Rol Index</b>	-100	-89	-40	-114

*ROI\* actuals have been redacted this is confidential financial information which if made public would disadvantage the producer.*

The TRA's return on investment calculations are based on the UK Producer's verified submissions, for each of the 12 month periods of the injury period (1 January 2018 – 31 December 2020) and the POI (1 January 2021 – 31 December 2021). This can be seen in the following table (indexing based on 2018 figures):

Table 7: UK Producer - Return on Investment (TRA Calculation)

	2018	2019	2020	2021
<b>Rol</b>				
<b>Rol Index</b>	-100	-2,116	-1,265	-2,390

*ROI\* actuals have been redacted this is confidential financial information which if made public would disadvantage the producer.*

## A2.6 Utilisation of Capacity

The UK Producer presented data for its Utilisation of Capacity for each of the 12 month periods of the injury period (1 January 2018 – 31 December 2020) and the POI (1 January 2021 – 31 December 2021). This can be seen in the following table:

Table 8: UK Producer - Utilisation of Capacity

	2018	2019	2020	2021
<b>Capacity Utilisation*</b>				
<b>Capacity Utilisation Range</b>	60%-70%	55%-65%	45%-55%	40%-50%

*Capacity Utilisation\* actuals have been redacted this is confidential information which if made public would disadvantage the producer.*



## A2.7 Cashflow

The UK Producer presented data for its cashflow for each of the 12 month periods of the injury period (1 January 2018 – 31 December 2020) and the POI (1 January 2021 – 31 December 2021). This can be seen in the following table (indexing based on 2018 figures):

Table 9: UK Producer - Cashflow

	2018	2019	2020	2021
<b>Net cashflow for All Goods</b>	£781,000	£497,091	£2,510,598	£1,640,073
<b>Net cashflow for All Goods Index</b>	100	64	321	210
<b>Net cashflow for Like Goods</b>				
<b>Net cashflow for Like Goods Index</b>	-100	-89	-40	-114

*Net cashflow for Like Goods\* actuals have been redacted this is confidential financial information which if made public would disadvantage the producer.*

## A2.8 Employment, Median Wages and Productivity

The UK Producer presented data for its Employment, Median Wages and Productivity for each of the 12 month periods of the injury period (1 January 2018 – 31 December 2020) and the POI (1 January 2021 – 31 December 2021). This can be seen in the following table (indexing based on 2018 figures):

Table 10: UK Producer - Employment, Median Wages and Productivity

	2018	2019	2020	2021
<b>Like Goods Employees*</b>				
<b>Like Goods Employees Index</b>	100	101	96	99
<b>Like Goods Productivity*</b>				
<b>Like Goods Productivity Index</b>	100	97	82	78
<b>Median Wage*</b>				
<b>Median Wage Index</b>	100	107	113	115

*Like Goods Employees\* actuals have been redacted this is confidential information which if made public would disadvantage the producer.*

*Like Goods Productivity\* actuals have been redacted this is confidential information which if made public would disadvantage the producer.*

*Median wage\* actuals have been redacted this is confidential information which if made public would disadvantage the producer.*



## A2.9 Inventory

The UK Producer presented data for its Inventory for each of the 12 month periods of the injury period (1 January 2018 – 31 December 2020) and the POI (1 January 2021 – 31 December 2021). This can be seen in the following table (indexing based on 2018 figures):

Table 11: UK Producer – Year End Stocks

Year End Stocks	2018	2019	2020	2021
Volume (Kg)*				
Volume (Kg) Index	100	88	87	136
Volume (PCS)*				
Volume (PCS) Index	100	101	105	133
Value (£)*				
Value (£) Index	100	88	83	154

*Volume and value actuals have been redacted this is confidential information which if made public would disadvantage the producer.*