

BRITISH STEEL TRADING LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE FINANCIAL YEAR ENDED 29 MARCH 1997



Registered No. 1140C

British Steel Trading Limited

Directors

Mr D N Bright
Mr W J Cain

Secretary

Mrs A L Scandrett

Registered office

9 Albert Embankment
London
SE1 7SN

British Steel Trading Limited

Directors' report for the year ended 29 March 1997

The directors present herewith their report and balance sheet for the year ended 29 March 1997.

Review of business and main activities

The company has not traded during the year and has therefore made neither profit nor loss. All expenses of the company are borne by British Steel plc.

Directors & directors' interests

The directors of the company at 29 March 1997 are listed on page 1 and have been directors throughout the period.

The interests of the directors at 29 March 1997 in the ordinary shares of British Steel plc, the company's ultimate holding company, were:

	Ordinary Shares		Options	
	29 March 1997 Number	30 March 1996 Number	29 March 1997 Number	30 March 1996 Number
Mr D N Bright	31,045	31,045	57,659	46,659
Mr W J Cain	Nil	Nil	103,950	82,750

	Options	
	Granted during year Number	Exercised during year Number
Mr D N Bright	11,000	Nil
Mr W J Cain	21,200	Nil

The directors had no interest, as defined by the Companies Act 1985, in the shares of any other member of the group during the year covered by these financial statements.

By order of the board



Secretary
13 November 1997

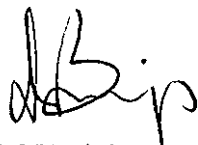
British Steel Trading Limited

Balance sheet as at 29 March 1997

	Notes	1997 £	1996 £
Current assets			
Debtors: Amounts falling due after more than one year Amount owed by group company	1	8,454,603	8,454,603
Net current assets		<u>8,454,603</u>	<u>8,454,603</u>
Creditors: Amounts falling due after more than one year Amount due to holding company	2	(36,805,014)	(36,805,014)
		<u>(28,350,411)</u>	<u>(28,350,411)</u>
Capital and reserves			
Called up share capital	3	12,525,000	12,525,000
Share premium account		2,499,990	2,499,990
Profit and loss account		(43,375,401)	(43,375,401)
		<u>(28,350,411)</u>	<u>(28,350,411)</u>

The company was a dormant company within the meaning of Section 250 of the Companies Act 1985 throughout the accounting period ending at the date of this balance sheet.

These accounts were approved by the Board on 13 November 1997.



D N Bright
Director

The Notes on page 4 form part of these accounts.

British Steel Trading Limited

Notes to the accounts for the year ended 29 March 1997

Amount owed by group company

1. The amount due from the group company is free of interest and no date has been fixed for the discharge of the debt.

Amount due to holding company

2. The amount due to the holding company is free of interest and no date has been fixed for the discharge of the debt.

Share Capital

3.	1997 and 1996	
	Authorised £	Allotted and called up £
Ordinary shares of £1	15,000,000	
12,500,000 ordinary shares of £1 - fully paid		12,500,000
2,500,000 Ordinary shares of £1 - 1p paid		25,000
	<hr/> 15,000,000 <hr/>	<hr/> 12,525,000 <hr/>

Directors' remuneration

3. No director received any remuneration during the period in respect of his services to the company.

Ultimate holding company

4. The directors regard British Steel plc, a company registered in England and incorporated in England and Wales, as the ultimate holding company. The registered office of British Steel plc is at 9 Albert Embankment, London SE1 7SN.