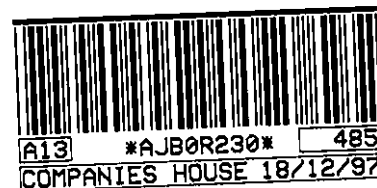


Booth Roe Metals Limited

Report and Accounts

31 March 1997

Registered No. 151180



Booth Roe Metals Limited

Registered No. 151180

DIRECTORS

K F Booth (Chairman)

C K F Booth

J H Booth

SECRETARY

K F Booth

AUDITORS

Ernst & Young

Talbot Chambers

2-6 North Church Street

Sheffield S1 2DH

REGISTERED OFFICE

Clarence Metal Works

Armer Street

Rotherham S60 1AF

DIRECTORS' REPORT

The directors present their report and the audited accounts for the year ended 31 March 1997.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS DEVELOPMENTS

The principal activity of the company continued to be scrap metal recycling.

SUBSEQUENT EVENTS AND FUTURE DEVELOPMENTS

There have been no events to the date of this report which have materially affected the company. The company will pursue its existing activity.

RESULTS AND DIVIDENDS

The loss for the year amounts to £221,644 (1996 - £217,657). The directors do not propose to pay a dividend.

DIRECTORS

The directors of the company during the year ended 31 March 1997 were those listed on page 2.

DIRECTORS' INTERESTS

According to the register maintained as required under the Companies Act 1985, no director had any interest in the share capital of the company during the year. All the directors are directors of the holding company, C F Booth Limited, and their interests in the shares of that company are dealt with in its accounts.

DIRECTORS' RESPONSIBILITIES FOR THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. 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.

Booth Roe Metals Limited

DIRECTORS' REPORT

AUDITORS

In accordance with S386 of the Companies Act 1985, a resolution to dispense with the requirement to appoint auditors annually was passed on 28 November 1995. Accordingly, Ernst & Young shall be deemed to have been reappointed as auditors 28 days after the accounts are sent to the members.

By order of the board

K F Booth



Secretary

22 September 1997

REPORT OF THE AUDITORS to the members of Booth Roe Metals Limited

We have audited the accounts on pages 6 to 13 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

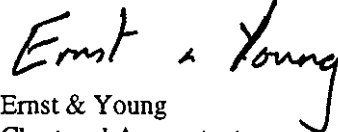
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31 March 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Chartered Accountants
Registered Auditor
Sheffield

22 September 1997

Booth Roe Metals Limited

PROFIT AND LOSS ACCOUNT for the year ended 31 March 1997

	Notes	1997 £	1996 £
TURNOVER	3	4,593,784	6,211,089
OPERATING COSTS	4	4,995,888	6,495,194
Exceptional income from pension refund		(71,860)	-
OPERATING LOSS	5	(330,244)	(284,105)
Bank interest payable		-	39,323
Other interest payable		-	229
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(330,244)	(323,657)
Taxation	6	(108,600)	(106,000)
LOSS FOR THE FINANCIAL YEAR	15	(221,644)	(217,657)

A statement of the movement on reserves is given in note 15

There are no recognised gains or losses other than the loss of £221,644 in the year ended 31 March 1997 and of £217,657 in the year ended 31 March 1996.

Booth Roe Metals Limited

BALANCE SHEET

at 31 March 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Tangible assets	7	674,535	612,621
Investments	8	15,200	15,200
		<u>689,735</u>	<u>627,821</u>
CURRENT ASSETS			
Stocks	9	422,620	310,991
Debtors	10	1,359,987	1,315,631
Cash in hand		23,115	24,258
		<u>1,805,722</u>	<u>1,650,880</u>
CREDITORS: amounts falling due within one year			
Bank overdraft	11	1,841,996	987,133
Trade and other creditors	12	705,861	1,136,724
		<u>2,547,857</u>	<u>2,123,857</u>
NET CURRENT LIABILITIES		<u>(742,135)</u>	<u>(472,977)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(52,400)</u>	<u>154,844</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	13	(58,900)	44,500
TOTAL ASSETS LESS LIABILITIES		<u>(111,300)</u>	<u>110,344</u>
CAPITAL AND RESERVES			
Called up share capital	14	85,880	85,880
Share premium account	14	16,920	16,920
General reserve	14	80,000	80,000
Profit and loss account (adverse balance)	15	(294,100)	(72,456)
		<u>(111,300)</u>	<u>110,344</u>

K F Booth

K F Booth Director

22 September 1997

NOTES TO THE ACCOUNTS

at 31 March 1997

1. **FUNDAMENTAL ACCOUNTING CONCEPT**

The accounts have been prepared under the going concern concept because the holding company has agreed to provide adequate funds for the company to meet its liabilities as they fall due.

2. **ACCOUNTING POLICIES**

Accounting convention

The accounts are prepared under the historical cost convention. The accounts have been prepared in accordance with applicable accounting standards.

Group accounts

The company is exempt from the requirement to prepare group accounts as it is itself a wholly owned subsidiary of a company incorporated in England. These accounts therefore present information about the company as an individual undertaking and not about its group.

Depreciation of fixed assets

The cost of fixed assets is depreciated by equal annual instalments over their expected useful lives as follows:

Plant and equipment	5-10 years
Motor lorries	5 years
Motor cars	4 years

Stocks

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

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all timing differences to the extent that it is probable that the liability will crystallise.

Pensions

The C F Booth Limited Group operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

3. **TURNOVER**

Turnover comprises the invoice value of goods and services supplied by the company exclusive of VAT and is attributable to one continuing activity. All turnover is derived from customers within the EU.

Booth Roe Metals Limited

NOTES TO THE ACCOUNTS

at 31 March 1997

4. OPERATING COSTS

	1997 £	1996 £
Raw materials and consumables	3,355,996	4,784,837
Staff costs - wages and salaries	484,150	477,674
- social security costs	46,905	46,937
- other pension costs	21,485	29,225
Depreciation of fixed assets	163,664	123,869
Other operating charges	866,684	919,652
Other external charges	57,004	113,000
	<u>4,995,888</u>	<u>6,495,194</u>

The company has made contributions to the group pension scheme, which is a defined contribution scheme. Details of the scheme are contained in the accounts of the holding company, C F Booth Limited.

5. OPERATING LOSS

Operating loss is stated after charging:

	1997 £	1996 £
Auditors' remuneration	5,250	5,500
Directors' remuneration	-	-
	<u>-</u>	<u>-</u>

The directors of the company are also directors of the holding company and fellow subsidiaries. All of the directors' remuneration was paid by the holding company. The directors do not believe that it is practicable to apportion their remuneration between the company and the holding and fellow subsidiary companies.

6. TAXATION

	1997 £	1996 £
Corporation tax at 33%	(123,000)	-
Group relief at 33%	-	(121,000)
Deferred taxation	14,400	15,000
	<u>(108,600)</u>	<u>(106,000)</u>

Booth Roe Metals Limited

NOTES TO THE ACCOUNTS at 31 March 1997

7. TANGIBLE FIXED ASSETS

	<i>Plant, equipment and vehicles</i> £
Cost:	
At 31 March 1996	1,990,127
Additions	229,998
Disposals	(77,928)
At 31 March 1997	2,142,197
Depreciation:	
At 31 March 1996	1,377,506
Charge for the year	163,664
Disposals	(73,508)
At 31 March 1997	1,467,662
Net book value:	
At 31 March 1997	674,535
At 31 March 1996	612,621

8. FIXED ASSET INVESTMENTS

Subsidiary undertakings

	£
Cost:	
At 31 March 1997 and 31 March 1996	15,200

The subsidiary undertakings, at 31 March 1997 were as follows:

<i>Company</i>	<i>Nature of business</i>
Roe Foundry Limited	Not trading
Roe Brothers (Ipswich) Limited	Not trading
Roe Brothers (Transport) Limited	Not trading
Booth Doncaster (Non-Ferrous and Alloys) Ltd	Metal recycling

All are wholly owned and registered in England and Wales.

In the opinion of the directors, the aggregate value of the investments in subsidiary undertakings is not less than the amount at which they are stated in the accounts.

Booth Roe Metals Limited

NOTES TO THE ACCOUNTS at 31 March 1997

9. STOCKS

	1997 £	1996 £
Raw materials	422,620	310,991

The replacement cost of stocks does not differ from the balance sheet value by a material amount.

10. DEBTORS

	1997 £	1996 £
Due within one year:		
Trade debtors	1,040,305	1,131,395
Amounts owed by group undertakings	195,582	59,240
Prepayments and accrued income	-	3,695
Corporation tax	123,000	121,001
Other debtors	1,100	300
	1,359,987	1,315,631

11. BANK OVERDRAFT

The bank overdraft is secured by a floating charge over the company's assets.

12. TRADE AND OTHER CREDITORS

	1997 £	1996 £
Trade creditors	223,945	349,135
Amounts owed to group undertakings	233,197	609,775
Other taxation and social security	55,895	37,313
Accruals	153,125	99,825
Other creditors	39,699	40,676
	705,861	1,136,724

Booth Roe Metals Limited

NOTES TO THE ACCOUNTS at 31 March 1997

13. DEFERRED TAXATION

	£
At 31 March 1996	44,500
Charge for the year	14,400
At 31 March 1997	<u>58,900</u>

Deferred taxation is in respect of accelerated capital allowances and has been provided in full at 33%.

14. SHARE CAPITAL

	1997 No.	Authorised 1996 No.	Allotted, called up and fully paid 1997 £	1996 £
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>85,880</u>	<u>85,880</u>

15. MOVEMENT ON RESERVES AND RECONCILIATION OF SHAREHOLDERS' FUNDS

	Share capital £	Profit & loss account £	Share premium account £	General reserve £	Total share holders' funds £
Balance at 31 March 1995	85,880	145,201	16,920	80,000	328,001
Loss for the year	-	(217,657)	-	-	(217,657)
Balance at 31 March 1996	85,880	(72,456)	16,920	80,000	110,344
Loss for the year	-	(221,644)	-	-	(221,644)
Balance at 31 March 1997	<u>85,880</u>	<u>(294,100)</u>	<u>16,920</u>	<u>80,000</u>	<u>(111,300)</u>

16. CAPITAL COMMITMENTS

At 31 March 1997 the directors had not contracted for any future capital expenditure (1996 - £Nil).

NOTES TO THE ACCOUNTS

at 31 March 1997

17. EMPLOYEES

The average number of employees in each week in the year was 50 (1996 - 47) and is broken down in the following categories:

	<i>1997 No.</i>	<i>1996 No.</i>
Administration	10	10
Production	40	37
	<u>50</u>	<u>47</u>

18. CONTINGENT LIABILITIES

The company has given an unlimited guarantee in respect of the bank overdrafts of other companies in the C F Booth Limited group. At 31 March 1997, the company's liability in respect of this guarantee amounted to £Nil (1996 - £656,217).

As a member of the C F Booth Limited group for VAT purposes, the company has joint and several liability for all amounts due to H M Customs & Excise under this arrangement. At 31 March 1997 the total potential liability amounted to £14,248 (1996 - £Nil).

The directors are of the opinion that no loss to the company will arise from the above.

19. HOLDING COMPANY

The ultimate holding company and the parent undertaking of the group of undertakings for which group accounts are drawn up and of which the company is a member is C F Booth Limited, registered in England and Wales. Copies of the accounts of C F Booth Limited can be obtained from the Registrar of Companies, Companies House, Maindy, Cardiff.

20. RELATED PARTIES

At 31 March 1997, the ultimate controlling party was Mr K F Booth.

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with related parties that are part of the C F Booth Limited group or investees of the group.