

**A K STEEL LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE 13 MONTHS ENDED 31 DECEMBER 2008**



**Company Registration No. 932617**  
**(England and Wales)**

# **A K STEEL LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	V Rao J Geraeds
<b>Secretary</b>	WKH Company Services Limited
<b>Company number</b>	932617
<b>Registered office</b>	Lloyds Bank Chambers 3 High Street Baldock Herts SG7 6BB
<b>Auditors</b>	Deloitte LLP Chartered Accountants and Registered Auditors
<b>Bankers</b>	HSBC Bank plc Station Place Letchworth Garden City Herts SG6 3AJ

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# **A K STEEL LIMITED**

## **CONTENTS**

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	<b>Page</b>
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Notes to the financial statements	8 - 20

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# **A K STEEL LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE 13 MONTHS ENDED 31 DECEMBER 2008**

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The directors present their report and financial statements for the 13 months ended 31 December 2008.

This report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985.

On 13 November 2008 the company changed its accounting reference date from 30 November 2008 to 31 December 2008. Subsequent periods will end on the same day and month in future years.

#### **Principal activities and review of the business**

The principal activity of the company continued to be that of the importation and sale of speciality steel products from associated companies and licensed producers.

#### **Directors**

The following directors have held office throughout the period.

J Geraeds  
V Rao

#### **Going concern**

The company continues to report profits before tax and is forecast to do so for the foreseeable future. The company has a diverse customer base and is well positioned with significant financial resources. As a consequence the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries the directors have a reasonable expectation that the company have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

#### **Auditors**

In accordance with section 385 of the Companies Act 1985, Deloitte LLP have expressed their willingness to continue in office, and a resolution proposing that Deloitte LLP be reappointed as auditors of the company will be put to the Annual General Meeting.

In the case of each of the persons who are directors of the company at the date when this report is approved:

- So far as each director is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the company's auditors are unaware; and
- Each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 234ZA of the Companies Act 1985.

# A K STEEL LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE 13 MONTHS ENDED 31 DECEMBER 2008**

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### Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these financial statements, 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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 financial statements 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 frauds and other irregularities.

### Statement of disclosure to auditors

On behalf of the board



J Geraeds

Director

16.10.2009

# **A K STEEL LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE SHAREHOLDERS OF A K STEEL LIMITED**

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We have audited the financial statements of AK Steel Limited for the 13 months ended 31 December 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes 1 to 18. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Company's Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

# A K STEEL LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF A K STEEL LIMITED

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### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the 13 months then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

*Deloitte LLP.*

Deloitte LLP

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Chartered Accountants and Registered Auditors  
Cambridge, United Kingdom

Date..... *30.10.2009.*

# A K STEEL LIMITED

## PROFIT AND LOSS ACCOUNT

**FOR THE 13 MONTHS ENDED 31 DECEMBER 2008**

		13 Months ended 31 December 2008 £	Year ended 30 November 2007 £
	Notes		
Turnover	2	2,441,440	2,081,753
Cost of sales		(1,549,625)	(1,361,203)
<b>Gross profit</b>		891,815	720,550
Distribution costs		(179,783)	(139,006)
Administrative expenses		(719,906)	(497,561)
Other operating income		183,571	78,319
<b>Operating profit</b>	3	175,697	162,302
Other interest receivable and similar income	4	87	2,058
Interest payable and similar charges	5	(1,273)	(21,309)
<b>Profit on ordinary activities before taxation</b>		174,511	143,051
Tax on profit on ordinary activities	6	(41,553)	(55,885)
<b>Profit for the period</b>	12	132,958	87,166

The profit and loss account has been prepared on the basis that all operations are continuing operations.



# **A K STEEL LIMITED**

## **STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

**FOR THE 13 MONTHS ENDED 31 DECEMBER 2008**

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		<b>13 Months ended 31 December 2008 £</b>	<b>Year ended 30 November 2007 £</b>
	<b>Notes</b>		
<b>Profit for the financial period</b>		132,958	87,166
Actuarial (loss)/gain on pension scheme	<b>10</b>	<u>(314,000)</u>	<u>288,000</u>
<b>Total gains and losses recognised since last financial statements</b>		<u><u>(181,042)</u></u>	<u><u>375,166</u></u>

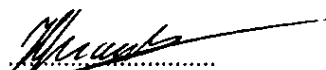
# A K STEEL LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2008

	Notes	2008 £	£	2007 £	£
<b>Current assets</b>					
Stocks	7	488,456		356,089	
Debtors	8	483,807		606,520	
Cash at bank and in hand		402,223		200,237	
		<u>1,374,486</u>		<u>1,162,846</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(468,247)</u>		<u>(353,565)</u>	
<b>Total assets less current liabilities</b>			906,239		809,281
<b>Retirement benefit obligations</b>			<u>(55,000)</u>		<u>223,000</u>
			<u>851,239</u>		<u>1,032,281</u>
<b>Capital and reserves</b>					
Called up share capital	11	455,000		455,000	
Profit and loss account	12	396,239		577,281	
<b>Shareholders' funds</b>	13		<u>851,239</u>		<u>1,032,281</u>

Approved by the Board and authorised for issue on 26/10/2009



J. Geraeds

Director

26.10.2009

Company Registration No. 932617

# **A K STEEL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE 13 MONTHS ENDED 31 DECEMBER 2008**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

The going concern basis has been adopted in preparing the financial statements, as described in more detail on page 1.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

#### **1.2 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Revenue is recognised as earned when, and to the extent that, the company obtains the right to consideration in exchange for its provision of goods and services. It is measured at the fair value of the right to consideration, which represents amounts chargeable to customers, including expenses and disbursements but excluding value added tax.

#### **1.3 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **1.4 Stock**

Stock is stated at the lower of cost and net realisable value.

#### **1.5 Pensions**

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

For defined benefit schemes the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 13 MONTHS ENDED 31 DECEMBER 2008

### 1 Accounting policies

(continued)

#### 1.6 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

#### 1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

#### 1.8 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.9 Other operating income

Other operating income is included in the accounts on an accruals basis.

### 2 Turnover

#### Geographical market

	13 Months ended 31 December 2008 £	Year ended 30 November 2007 £
United Kingdom	1,825,563	1,645,472
Rest of Europe	615,559	393,374
Rest of World	318	42,907
	<u>2,441,440</u>	<u>2,081,753</u>

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 13 MONTHS ENDED 31 DECEMBER 2008

	13 Months ended 31 December 2008 £	Year ended 30 November 2007 £
<b>3 Operating profit</b>		
Operating profit is stated after charging:		
Loss on foreign exchange transactions	50,485	10,292
Operating lease rentals		
- Plant and machinery	-	10,147
- Other assets	16,170	18,034
Auditors' remuneration:		
- Fees payable to the company's auditors for the audit of the company's annual accounts	15,410	18,000
	<u>          </u>	<u>          </u>

	13 Months ended 31 December 2008 £	Year ended 30 November 2007 £
<b>4 Interest receivable and similar income</b>		
Bank interest	87	82
Foreign exchange gains	-	1,976
	<u>          </u>	<u>          </u>
	87	2,058
	<u>          </u>	<u>          </u>

	13 Months ended 31 December 2008 £	Year ended 30 November 2007 £
<b>5 Interest payable</b>		
Interest on amounts payable to group companies	-	9,441
Foreign exchange losses	1,273	11,868
	<u>          </u>	<u>          </u>
	1,273	21,309
	<u>          </u>	<u>          </u>

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 13 MONTHS ENDED 31 DECEMBER 2008

6	Taxation	13 Months ended 31 December 2008 £	Year ended 30 November 2007 £
	<b>Domestic current period tax</b>		
	U.K. corporation tax	30,805	55,885
	Adjustment for prior years	10,748	-
	<b>Current tax charge</b>	<u>41,553</u>	<u>55,885</u>
	<b>Factors affecting the tax charge for the period</b>		
	Profit on ordinary activities before taxation	<u>174,511</u>	<u>143,051</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (year ended 30 November 2007 - 30.00%)	<u>48,863</u>	<u>42,915</u>
	Effects of:		
	Non deductible expenses	1,566	-
	Capital allowances	(152)	-
	Adjustments to previous periods	(3,009)	-
	Pension fund timing differences	-	12,600
	Other tax adjustments	(5,715)	370
		<u>(7,310)</u>	<u>12,970</u>
	<b>Current tax charge</b>	<u>41,553</u>	<u>55,885</u>
7	Stocks	31 December 2008 £	30 November 2007 £
	Finished goods and goods for resale	<u>488,456</u>	<u>356,089</u>

## A K STEEL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 13 MONTHS ENDED 31 DECEMBER 2008

8 Debtors: amounts receivable within one year	31 December 2008	30 November 2007
	£	£
Trade debtors	392,257	567,399
Amounts owed by parent and fellow subsidiary undertakings	74,350	22,505
Prepayments and accrued income	17,200	16,616
	<u>483,807</u>	<u>606,520</u>

9 Creditors: amounts falling due within one year	31 December 2008	30 November 2007
	£	£
Trade creditors	148,387	32,037
Amounts owed to parent and fellow subsidiary undertakings	37,449	42,196
Corporation tax	67,734	63,387
Other taxes and social security costs	39,002	114,993
Other creditors	-	1,002
Accruals and deferred income	175,675	99,950
	<u>468,247</u>	<u>353,565</u>

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 13 MONTHS ENDED 31 DECEMBER 2008

### 10 Pension and other post-retirement benefit commitments Defined contribution

	31 December 2008 £	30 November 2007 £
Contributions payable by the company for the period	9,719	1,833

### Defined benefit

The company operates a defined benefit pension scheme. The most recent full actuarial valuation was carried out 31 December 2008 by a qualified independent actuary.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31 December 2008 £	30 November 2007 £
Present value of funded obligations	(1,568,000)	(1,538,000)
Fair value of plan assets	1,513,000	1,761,000
Net (liability)/asset	(55,000)	223,000



# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 13 MONTHS ENDED 31 DECEMBER 2008

### 10 Pension and other post-retirement benefit commitments

(continued)

The amounts recognised in the profit and loss are as follows:

	Defined benefit pension plans	
	13 Months ended 31 December 2008 £	Year ended 30 November 2007 £
Current service cost	22,000	79,000
Interest on obligation	102,000	115,000
Expected return on pension scheme assets	(136,000)	(126,000)
Total	<u>(12,000)</u>	<u>68,000</u>
Actual return on plan assets	<u>(211,000)</u>	<u>(150,000)</u>

The amounts recognised in the statement of total recognised gains and losses are as follows:

	13 Months ended 31 December 2008 £	Year ended 30 November 2007 £
Actual return less expected return on pension scheme assets	(347,000)	65,000
Experience gains and losses on arising scheme liabilities	(21,000)	8,000
Changes in assumptions underlying the present value of the scheme liabilities	54,000	215,000
	<u>(314,000)</u>	<u>288,000</u>

## A K STEEL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 13 MONTHS ENDED 31 DECEMBER 2008

#### 10 Pension and other post-retirement benefit commitments

(continued)

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31 December 2008	30 November 2007
	£	£
Opening defined benefit obligation	1,538,000	2,314,000
Current service cost	22,000	79,000
Interest cost	102,000	115,000
Actuarial gains	(33,000)	(564,000)
Contributions by employees	7,000	8,000
Benefits paid	(68,000)	(414,000)
Closing defined benefit obligation	<u>1,568,000</u>	<u>1,538,000</u>

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 13 MONTHS ENDED 31 DECEMBER 2008

### 10 Pension and other post-retirement benefit commitments

(continued)

Changes in fair value of plan assets are as follows:

	Defined benefit pension plans	
	31 December 2008	30 November 2007
	£	£
Opening fair value of plan assets	1,761,000	2,291,000
Expected return	136,000	126,000
Actuarial losses	(347,000)	(276,000)
Contributions by employer	24,000	26,000
Contributions by employees	7,000	8,000
Benefits paid	(68,000)	(414,000)
Closing fair value of plan assets	<u>1,513,000</u>	<u>1,761,000</u>

The major categories of plan assets as a percentage of total plan assets are as follows:

	31 December 2008	30 November 2007
	%	%
Equities	0.49	0.55
Bonds	0.04	0.05
Other assets	<u>0.47</u>	<u>0.40</u>

Principal actuarial assumptions at the balance sheet date  
(expressed as weighted averages):

	31 December 2008	30 November 2007
	%	%
Discount rate at 31 December 2008	6.60	6.20
Expected return on plan assets at 31 December 2008	6.95	6.99
Future salary increases	4.00	4.40
Future pension increases	3.00	3.40

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 13 MONTHS ENDED 31 DECEMBER 2008

### 10 Pension and other post-retirement benefit commitments

(continued)

Amounts for the current and previous periods are as follows:

#### Defined benefit pension plans

	13 Months ended 31 December 2008 £	2007 £	Year ended 30 November 2006 £	2005 £	2004 £
Defined benefit obligation	(1,568,000)	(1,538,000)	(2,314,000)	(2,340,000)	(2,154,000)
Plan assets	<u>1,513,000</u>	<u>1,761,000</u>	<u>2,291,000</u>	<u>2,186,000</u>	<u>1,976,000</u>
(Deficit)/surplus	(55,000)	223,000	(23,000)	(154,000)	(178,000)
Experience adjustments on plan liabilities	(21,000)	349,000	198,000	(3,000)	(2,000)
Experience adjustments on plan assets	<u>(347,000)</u>	<u>(276,000)</u>	<u>(102,000)</u>	<u>162,000</u>	<u>(40,000)</u>

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses since the adoption of FRS 17 is £(187,000) (2007 - £127,000).

	31 December 2008 £	30 November 2007 £
<b>11 Share capital</b>		
<b>Authorised</b>		
500,000 Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>
<b>Allotted, called up and fully paid</b>		
455,000 Ordinary shares of £1 each	<u>455,000</u>	<u>455,000</u>

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 13 MONTHS ENDED 31 DECEMBER 2008

### 12 Statement of movements on profit and loss account

	£
Balance at 1 December 2007	577,281
Profit for the period	132,958
Actuarial gains or losses on pension scheme assets	(314,000)
Balance at 31 December 2008	<u>396,239</u>

### 13 Reconciliation of movements in shareholders' funds

	31 December 2008 £	30 November 2007 £
Profit for the financial period	132,958	87,166
Other recognised gains and losses	(314,000)	288,000
Net (deduction in)/addition to shareholders' funds	(181,042)	375,166
Opening shareholders' funds	<u>1,032,281</u>	<u>657,115</u>
Closing shareholders' funds	<u>851,239</u>	<u>1,032,281</u>

### 14 Financial commitments

At 31 December 2008 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2009:

	Land and buildings		Other	
	31 December 2008 £	30 November 2007 £	31 December 2008 £	30 November 2007 £
Operating leases which expire:				
Between two and five years	-	-	25,700	25,700
In over five years	<u>9,120</u>	<u>9,120</u>	<u>-</u>	<u>-</u>
	<u>9,120</u>	<u>9,120</u>	<u>25,700</u>	<u>25,700</u>

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 13 MONTHS ENDED 31 DECEMBER 2008

	13 Months ended 31 December 2008 £	Year ended 30 November 2007 £
<b>15 Directors' emoluments</b>		
Emoluments for qualifying services	127,177	78,614
Company pension contributions to money purchase schemes	9,719	-
	<u>136,896</u>	<u>78,614</u>

The number of directors for whom retirement benefits are accruing under defined benefit schemes amount to none (year ended 30 November 2007 - 1)

### 16 Employees

#### Number of employees

The average monthly number of employees (including directors) during the period was:

	13 Months ended 31 December 2008 Number	Year ended 30 November 2007 Number
Administration staff	<u>5</u>	<u>5</u>

#### Employment costs

	13 Months ended 31 December 2008 £	Year ended 30 November 2007 £
Wages and salaries	378,596	175,465
Social security costs	37,485	26,989
Other pension costs	(2,281)	69,833
Costs of share option scheme	8,942	-
	<u>422,742</u>	<u>272,287</u>

## **A K STEEL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE 13 MONTHS ENDED 31 DECEMBER 2008**

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#### **17 Control**

100% of the issued share capital of the company is owned by AK Steel International Limited, a company registered in England and Wales where accounts are available from its registered office at Hamlyns, Lewes Road, Scaynes Hill, Haywards Heath, West Sussex RH17 7NG. The directors consider this to be the immediate holding company.

The company's ultimate parent undertaking and controlling party is AK Steel Holding Corporation, a company incorporated in the United States of America. Copies of the accounts of the ultimate parent company are available from 703 Curtis Street, Middletown, Ohio 45043 0001, United States of America and this is the only group in which the results of the company are consolidated.

#### **18 Related party transactions**

AK Steel Limited have taken advantage of the FRS 8 exemption to disclose inter-group transactions and balances as they are a 100% subsidiary.