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BLACK & BRIGHT STEELS LIMITED
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REPORT AND ACCOUNTS
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FOR THE YEAR ENDED
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28TH FEBRUARY, 1986
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2. Auditors Report
3. Profit and Loss Account
4. Balance Sheet
5. Source and Application of Funds
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BLACK & BRIGHT STEELS LIMITED

DIRECTORS' REPORT

The directors submit their report and accounts for the year ended 28th February, 1986.

RESULTS AND DIVIDENDS

The trading loss for the year after taxation amounted to £424. The directors do not recommend the payment of a dividend.

REVIEW OF THE BUSINESS

The company's principal activity during the year was dealing in steel. The company ceased trading on 28th February, 1986 and its trade and assets were transferred to its related company Midland Mesh Limited.

FIXED ASSETS

The changes in fixed assets during the year are summarised in the notes to the accounts.

DIRECTORS AND THEIR INTERESTS

The directors at 28th February, 1986 and their interests in the share capital of the company were as follows:-

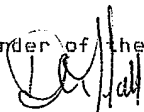
	At 28th February, 1986	At 1st March, 1985
Mr D W Hall	67	67
Mrs G V Hall	33	33

Mrs G V Hall retires by rotation and, being eligible, offers herself for re-election.

AUDITORS

A resolution to re-appoint as auditors T.A. Nicklin & Co. will be put to the members at the Annual General Meeting.

By order of the Board



Dated September, 1986

BLACK & BRIGHT STEELS LIMITED
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2.

REPORT OF THE AUDITORS

to the members of Black & Bright Steels Limited

We have audited the financial statements on pages 3 to 6. Our audit was conducted in accordance with approved Auditing Standards having regard to the matters referred to in the following paragraph.

In common with many businesses of similar size and organisation the company's system of control is dependent upon the close involvement of the directors, who are major shareholders. Where independent confirmation of the completeness of the accounting records was therefore not available we have accepted assurances from the directors that all the company's transactions have been reflected in the records.

Subject to the foregoing, in our opinion the financial statements give a true and fair view of the state of the company's affairs at 28th February, 1986 and of its loss and source and application of funds for the year then ended and comply with the Companies Act 1985.

T.A.NICKLIN & CO
Chartered Accountants

Dated September, 1986

BLACK & BRIGHT STEELS LIMITED
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3.

PROFIT AND LOSS ACCOUNT

for the year ended 28th February, 1986

		1986	1985
	Notes	£	£
TURNOVER	2.	86,676	58,661
Cost of sales		72,358	46,028
Gross profit		14,318	12,633
Administrative expenses		14,785	12,853
		14,785	12,853
OPERATING PROFIT(LOSS)	3.	(467)	(220)
Interest payable	5.	(302)	(143)
PROFIT(LOSS) ON ORDINARY ACTIVITIES ACTIVITIES BEFORE TAXATION		(769)	(363)
Tax on profit on ordinary activities	6.	(345)	345
PROFIT(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		(424)	(708)
Retained profit brought forward		3,852	4,560
RETAINED PROFIT CARRIED FORWARD		3,428	3,852

The notes on pages 6 form part of these accounts

BLACK & BRIGHT STEELS LIMITED
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BALANCE SHEET

at 28th February, 1986

	Notes	1986		1985	
		£	£	£	£
FIXED ASSETS					
Tangible assets:	7.	-		4,331	
Plant and machinery					4,331
CURRENT ASSETS					
Debtors	8.	33,075		39,019	
Cash at bank and in hand		547		-	
		33,622		39,019	
Creditors: amounts falling due within one year	9.	30,094		38,947	
NET CURRENT ASSETS			3,528		72
TOTAL ASSETS LESS CURRENT LIABILITIES			3,528		4,403
Creditors: amounts falling due after more than one year					
Obligations under finance leases and hire purchase contracts		-		106	
PROVISIONS FOR LIABILITIES AND CHARGES					
Deferred taxation	10.	-		345	
			-		451
			3,528		3,952
CAPITAL AND RESERVES					
Called up share capital	11.		100		100
Profit and loss account			3,428		3,852
			3,528		3,952

Directors) *D. Hall*

) *John V. Hall*

Dated September, 1986

The notes on pages 6 form part of these accounts

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BLACK & BRIGHT STEELS LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

for the year ended 28th February, 1986

	1986		1985	
	£	£	£	£
SOURCE OF FUNDS				
Profit/(loss) on ordinary activities before taxation		(769)		(363)
Adjustments for items not involving the movement of funds				
Depreciation		744		1,387
		-----		-----
TOTAL GENERATED FROM OPERATIONS		(25)		1,024
FUNDS FROM OTHER SOURCES				
Proceeds of disposal of tangible fixed assets		3,587		-
		-----		-----
		3,562		1,024
APPLICATION OF FUNDS				
Corporation tax paid	-		2	
	-----	-----	-----	-----
		-		2
WORKING CAPITAL- INCREASE/(DECREASE)		3,562		1,022
=====		=====		=====
COMPONENTS OF INCREASE/(DECREASE) IN WORKING CAPITAL				
Debtors		(5,946)		18,773
Creditors		5,932		(15,630)
		-----		-----
		(14)		3,143
MOVEMENT IN NET LIQUID FUNDS				
Cash at bank and in hand	3,576		(2,121)	
	-----	-----	-----	-----
		3,576		(2,121)
		-----		-----
		3,562		1,022
		=====		=====

The notes on pages 6 form part of these accounts

BLACK & BRIGHT STEELS LIMITED

NOTES TO THE ACCOUNTS

at 28th February, 1986

1. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Plant and machinery - 15% and 25% reducing balance basis

Deferred taxation

Deferred taxation is provided on the liability method on short term and long term timing differences where it is foreseen that a liability will arise in the future.

Leasing and hire purchase commitments

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income as incurred.

2. TURNOVER

Turnover represents the invoiced amount of goods sold and services provided stated net of value added tax.

6. Cont'd

BLACK & BRIGHT STEELS LIMITED

NOTES TO THE ACCOUNTS

at 28th February, 1986

3. OPERATING PROFIT/(LOSS)

	1986	1985
	£	£
This is stated after charging:		
(a) Auditors' remuneration	375	365
Depreciation	744	1,387
	£	£
(b) Directors' remuneration consisting of:		
Emoluments	11,917	18,140

4. STAFF COSTS

	1986	1985
	£	£
Wages and salaries	11,917	18,140
Social security costs	2,554	1,042
	14,471	19,182

The average weekly number of employees during the year was made up as follows:

	No	No
	2	2
Office and management		

5. INTEREST PAYABLE

	1986	1985
	£	£
Bank overdraft	302	143

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1986	1985
	£	£
Based on the profit for the year:		
Deferred taxation	(345)	345

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6.Cont'd

BLACK & BRIGHT STEELS LIMITED
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NOTES TO THE ACCOUNTS

at 28th February, 1986

7.TANGIBLE FIXED ASSETS

Plant &
machinery

£

Cost:

At 1st March, 1985
Disposals

11,064
(11,064)

At 28th February, 1986

-
=====

Depreciation:

At 1st March, 1985
Provided this year
Disposals

6,733
744
(7,477)

At 28th February, 1986

-
=====

Net book value at 28th February, 1986

-
=====

Net book value at 1st March, 1985

4,331
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BLACK & BRIGHT STEELS LIMITED

6.Cont'd

NOTES TO THE ACCOUNTS

at 28th February, 1986

8.DEBTORS

	1986	1985
	£	£
Trade debtors	18,642	22,102
Amounts owed by related companies	14,433	16,478
Prepayments and accrued income	-	439
	33,075	39,019

9.CREDITORS: amounts falling due within one year

	1986	1985
	£	£
Trade creditors	19,893	21,878
Bank Overdraft	-	3,029
Other taxes and social security costs	7,495	1,173
Other creditors and accruals	2,706	12,867
	30,094	38,947

10.DEFERRED TAXATION

Amounts provided and the full potential liability for deferred taxation is as follows:

	Provided		Full Potential	
	1986	1985	1986	1985
	£	£	£	£
Capital allowances in advance of depreciation	-	345	-	345
	-	345	-	345

BLACK & BRIGHT STEELS LIMITED
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6.Cont'd

NOTES TO THE ACCOUNTS

at 28th February, 1986

11.SHARE CAPITAL

	Authorised		Allotted, called up and fully paid	
	1986	1985	1986	1985
	-----	-----	-----	-----
Ordinary shares of £1 each	No 1,000	No 1,000	£ 100	£ 100
	=====	=====	=====	=====

12.CAPITAL COMMITMENTS

There were no capital commitments at 28th February, 1986 (1985-NIL)