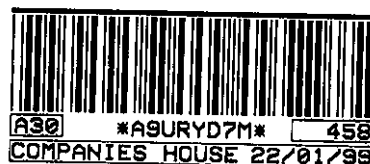


REGISTERED NUMBER: 1479719 (England and Wales)

5

Abbreviated Financial Statements
for the Year Ended 31 March 1998
for
Deltic Steels Limited



Deltic Steels Limited

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for the Year Ended 31 March 1998

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Deltic Steels Limited
Company Information
for the Year Ended 31 March 1998

DIRECTORS: M Spite
Mrs P Spite

SECRETARY: Mrs P Spite

REGISTERED OFFICE: Pingewood Business Estate
Smallmead Road
Pingewood
Reading
Berkshire
RG30 3UR

REGISTERED NUMBER: 1479719 (England and Wales)

AUDITORS: Kirkpatrick & Hopes
Registered Auditors
Overdene House
49 Church Street
Theale
Reading
RG7 5BX

Deltic Steels Limited

Report of the Auditors to
Deltic Steels Limited

Under Section 247B of the Companies Act 1985

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 31 March 1998 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.



Kirkpatrick & Hopes
Registered Auditors
Overdene House
49 Church Street
Theale
Reading
RG7 5BX

Dated: 15.1.99

Deltic Steels Limited

Abbreviated Balance Sheet
31 March 1998

		31.3.98		31.3.97	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		28,205		33,106
CURRENT ASSETS:					
Stocks		49,624		36,500	
Debtors		387,356		364,949	
Cash at bank		468		-	
		<u>437,448</u>		<u>401,449</u>	
CREDITORS: Amounts falling due within one year	3	<u>556,845</u>		<u>521,488</u>	
NET CURRENT LIABILITIES:			<u>(119,397)</u>		<u>(120,039)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u>(91,192)</u>		<u>(86,933)</u>
CREDITORS: Amounts falling due after more than one year	3		<u>-</u>		<u>292</u>
			<u>£(91,192)</u>		<u>£(87,225)</u>
CAPITAL AND RESERVES:					
Called up share capital	4		100		100
Profit and loss account			<u>(91,292)</u>		<u>(87,325)</u>
Shareholders' funds			<u>£(91,192)</u>		<u>£(87,225)</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

X
M Spite - DIRECTOR

Approved by the Board on 15.01.99

The notes form part of these financial statements

Deltic Steels Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1998

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Deltic Steels Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1998

2. **TANGIBLE FIXED ASSETS**

	Total
	£
COST:	
At 1 April 1997	99,648
Additions	5,256
Disposals	(21,481)
	<hr/>
At 31 March 1998	83,423
	<hr/>
DEPRECIATION:	
At 1 April 1997	66,542
Charge for year	7,080
Eliminated on disposals	(18,404)
	<hr/>
At 31 March 1998	55,218
	<hr/>
NET BOOK VALUE:	
At 31 March 1998	28,205
	<hr/>
At 31 March 1997	33,106
	<hr/>

3. **CREDITORS**

The following secured debts are included within creditors:

	31.3.98	31.3.97
	£	£
Factoring account	156,969	-
	<hr/>	<hr/>

4. **CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.3.98	31.3.97
			£	£
100	Ordinary	£1	100	100
			<hr/>	<hr/>

5. **FUNDAMENTAL UNCERTAINTY AFFECTING THE ACCOUNTS**

The financial statements have been prepared on a going concern basis assuming the renewed support of the company's bankers. The directors consider that this support will be forthcoming, and on this basis they consider that it is appropriate to prepare the financial statements on a going concern basis.

Should the company be unable to continue trading, adjustments would have to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities which might arise and to reclassify fixed assets as current assets.

Deltic Steels Limited

Notes to the Abbreviated Financial Statements
for the Year Ended 31 March 1998

6. YEAR 2000 COMPLIANCE

In the opinion of the directors, the company will not be adversely affected by Year 2000 compliance problems after 31 December 1999. The company has taken, or will be taking, all necessary steps to ensure that its computers and other electronic equipment are fully Year 2000 compliant. The company has or will also take steps to ensure that no problems are caused to the company as a result of non-compliance of its major customers, suppliers and other trading partners.