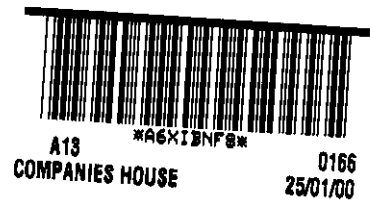


BELL & HARWOOD LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE FINANCIAL YEAR ENDED 3 APRIL 1999



Registered No. 1539189

Bell & Harwood Limited

Directors

British Steel Directors (Nominees) Limited
Mrs C J Price (resigned 14 December 1998)
Mrs A L Scandrett (resigned 14 December 1998)

Secretary

Mrs A L Scandrett

Registered office

15 Marylebone Road
London
NW1 5JD

Bell & Harwood Limited

Directors' report for the year ended 3 April 1999

The directors present herewith their report and balance sheet for the year ended 3 April 1999.

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 3 April 1999 are listed on page 1.

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

By order of the board



Secretary
1 July 1999

Bell & Harwood Limited

Balance sheet as at 3 April 1999

	Notes	1999 £	1998 £
Current liabilities			
Creditors: Amounts falling due after more than one year Amount owed to group company	1	(1,262,955)	(1,262,955)
		<u> </u>	<u> </u>
Capital and reserves			
Called up share capital	2	2	2
Profit and loss account		(148,957)	(148,957)
Goodwill write-off reserve		(1,114,000)	(1,114,000)
		<u> </u>	<u> </u>
		<u> </u>	<u> </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 1 July 1999.



Authorised signatory of British Steel Directors (Nominees) Limited
Director

The Notes on page 4 form part of these accounts.

Bell & Harwood Limited

Notes to the accounts for the year ended 3 April 1999

Amount owed to group company

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

Share Capital

2.	1999 and 1998	
	Authorised	Allotted called up and fully paid
	£	£
Ordinary shares of £1	100	2
	<hr/> 100	<hr/> 2
	<hr/>	<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 15 Marylebone Road, London NW1 5JD.