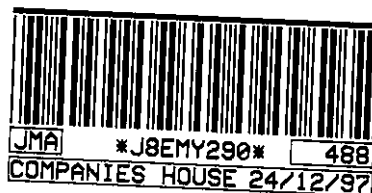


ANNUAL RETURN

LLOYDS METAL PROCESSORS LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST MARCH 1997

COMPANY NUMBER 1927035



Q.C. Passed	
Date	Initials
20/1/97	mm

Cowgill, Holloway & Company
CHARTERED ACCOUNTANTS

Bolton

LLOYDS METAL PROCESSORS LIMITED

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FOR THE YEAR ENDED 31ST MARCH 1997**

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LLOYDS METAL PROCESSORS LIMITED

STATUTORY SUMMARY

DIRECTORS

B F Jervis
A Higgins

SECRETARY

A Higgins

REGISTERED OFFICE

Regency House
45-49 Chorley New Road
Bolton
BL1 4QR

COMPANY NUMBER

1927035

AUDITORS

Cowgill, Holloway & Co
Chartered Accountants
& Registered Auditors
Regency House
45-49 Chorley New Road
Bolton
BL1 4QR

BANKERS

The Co-operative Bank plc
1 Balloon Street
Manchester
M60 4EP

SOLICITORS

Fruhman Davies & Co
40 King Street West
Manchester
M3 2WY

LLOYDS METAL PROCESSORS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 1997

The directors present their report and the audited financial statements of the company for the year ended 31st March 1997.

PRINCIPAL ACTIVITIES & REVIEW OF BUSINESS

The principal activities of the company are the reclamation and trading of recyclable materials. There were no significant changes in its activities during the year.

The directors consider the state of the affairs of the company to be satisfactory.

RESULTS AND DIVIDENDS

The profit and loss account is shown on page 5 and the balance sheet on page 6. Payment of a preference dividend of £5000 has been made. No ordinary dividends are proposed for the year and the retained profit transferred to reserves will be £31230.

FIXED ASSETS

Details of movements in fixed assets during the year are set out in note 10 to the financial statements.

FUTURE DEVELOPMENTS

The directors anticipate successful trading in the current financial year.

CREDITORS PAYMENT POLICY

Creditors are paid consistently and in accordance with the terms agreed with each supplier. A large number of suppliers are paid on delivery, however there are some credit accounts. The average days credit taken is 6.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their beneficial interests in the company's issued Ordinary share capital were:

	Ordinary shares		Preference shares	
	1997	1996	1997	1996
B F Jervis	-	-	-	-
A Higgins	-	-	-	-

The interest of the directors in the share capital of the ultimate holding company, Lloyds Metal Group plc, are shown in that company's financial statements.

LLOYDS METAL PROCESSORS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST MARCH 1997
(CONTINUED....)**

DIRECTORS RESPONSIBILITIES

Company law requires directors to prepare financial statements 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 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, subject to any material departures disclosed in the financial statements;
- 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 prevention and detection of fraud and other irregularities.

TAXATION STATUS

In the opinion of the directors, the company is a close company for taxation purposes.

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company made charitable donations in the UK of £900 (1996: £Nil).

AUDITORS

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Cowgill, Holloway & Co, be re-appointed as auditors of the company will be put to the Annual General Meeting.

By Order of the Board

DATE: 30 OCTOBER 1997
Regency House
45-49 Chorley New Road
Bolton
BL1 4QR


A Higgins
Secretary

AUDITORS' REPORT
TO THE SHAREHOLDERS OF
LLOYDS METAL PROCESSORS LIMITED

We have audited the financial statements on pages 5 to 18 which have been prepared under the historical cost convention and the accounting policies set out on pages 8 to 10.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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

OPINION

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

DATE: 30 OCTOBER 1997

Regency House
45-49 Chorley New Road
Bolton
BL1 4QR


COWGILL, HOLLOWAY & CO
CHARTERED ACCOUNTANTS
& REGISTERED AUDITOR

LLOYDS METAL PROCESSORS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1997

		1997	1996
	Notes	£	£
TURNOVER	2	19717593	23538784
Cost of sales	3	(<u>17382377</u>)	(<u>20571672</u>)
GROSS PROFIT		2335216	2967112
Administrative expenses	3	(2133625)	(1664304)
Other income	4	<u>39578</u>	<u>-</u>
		(<u>2094047</u>)	(<u>1664304</u>)
OPERATING PROFIT	4	241169	1302808
Profit/(loss) on sale of fixed assets in continuing operations		<u>15236</u>	<u>(4138)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		256405	1298670
Interest receivable & similar income	6	68875	38411
Interest payable & similar charges	7	(<u>201086</u>)	(<u>172276</u>)
		(<u>132211</u>)	(<u>133865</u>)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		124194	1164805
Taxation on profit on ordinary activities	8	(<u>87964</u>)	(<u>440363</u>)
PROFIT FOR THE FINANCIAL YEAR		36230	724442
Dividends - non equity shares	9	(<u>5000</u>)	(<u>10000</u>)
RETAINED PROFIT FOR THE YEAR	20	<u>31230</u>	<u>714442</u>

All amounts relate to continuing operations and there were no recognised gains or losses other than those recognised in the profit and loss account.

LLOYDS METAL PROCESSORS LIMITED
BALANCE SHEET AS AT 31ST MARCH 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Tangible assets	10	1557915	1461608
Investments	11	<u>-</u>	<u>125000</u>
		1557915	1586608
CURRENT ASSETS			
Stocks	12	435012	551030
Debtors	13	3684043	1580585
Cash at bank & in hand		<u>48573</u>	<u>65332</u>
		4167628	2196947
CREDITORS: Amounts falling due within one year	14	<u>(3407342)</u>	<u>(1507425)</u>
NET CURRENT ASSETS		<u>760286</u>	<u>689522</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2318201	2276130
CREDITORS: Amounts falling due after more than one year	15	(559157)	(349353)
PROVISIONS FOR LIABILITIES AND CHARGES	16	<u>(152092)</u>	<u>(151055)</u>
NET ASSETS		<u>1606952</u>	<u>1775722</u>
CAPITAL AND RESERVES			
Called up share capital	17	100000	300000
Capital redemption reserve	18	200000	-
Profit and loss account	19	<u>1306952</u>	<u>1475722</u>
SHAREHOLDERS' FUNDS	20&21	<u>1606952</u>	<u>1775722</u>

The financial statements on pages 5 to 18 were approved by the Board of Directors on 30.05.97 and signed on its behalf by:

DIRECTOR *B. Jem*

LLOYDS METAL PROCESSORS LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 1997**

	Notes	1997	1996
		£	£
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		241169	1302808
Exceptional write off		54821	-
Depreciation charges		253193	211314
Increase in stocks		116018	(190069)
Increase in debtors		(2109708)	(407090)
Increase in creditors		<u>422637</u>	<u>(230030)</u>
NET CASH INFLOW FROM OPERATING ACTIVITIES		<u>(1021870)</u>	<u>686933</u>

Cash flow statement

Net cash inflow from operating activities		(1021870)	686933
Returns on investments and servicing of finance	22	(137211)	(158865)
Taxation		(257494)	(115000)
Capital expenditure	22	(139085)	(191636)
Management of liquid resources	22	125000	50000
Financing	22	<u>(107650)</u>	<u>(316364)</u>
DECREASE IN CASH		<u>(1538310)</u>	<u>(44932)</u>

Reconciliation of net cash flow to movement in net debt 23

Decrease in cash in the period	(1538310)	(44932)
Cash inflow from increase in debt and lease financing	(92350)	316364
Cash used to increase liquid resources	(125000)	(50000)
New finance leases	<u>(250000)</u>	<u>(364000)</u>
Change in net debt	(2005660)	(142568)
Net debt at 1.4.96	<u>(355238)</u>	<u>(212670)</u>
NET DEBT AT 31.3.97	<u>(2360898)</u>	<u>(355238)</u>

LLOYDS METAL PROCESSORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1997**

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material to the company's affairs.

(a) Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and incorporate the results of its principal activity which is described in the directors' report and which is continuing.

The financial statements have been prepared in accordance with applicable accounting standards.

(b) Turnover

Turnover comprises the invoiced value of goods and services supplied by the company net of trade discounts, VAT and other related taxes.

(c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less 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 & machinery	-	10% Straight line
Fixtures & fittings	-	15% Reducing balance
Motor vehicles	-	25% Reducing balance

Leasehold improvements have been written down in the year as the company are to move to new premises.

(d) Investments

Investments are stated at cost, less any provision for permanent diminution in value.

LLOYDS METAL PROCESSORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1997
(CONTINUED)

(e) Leasing & hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and the cost less estimated residual value depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

(f) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

(g) Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is arrived at as follows:

Raw materials and goods - invoice cost.
for resale

Work in progress - raw material cost plus
appropriate proportion of
direct costs and overheads.

Finished goods - raw material cost plus direct
cost and overheads.

Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

(h) Pension costs

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund during the year.

LLOYDS METAL PROCESSORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1997
(CONTINUED)**

(i) Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

2. TURNOVER

The whole of the turnover and profit before taxation is attributable to the one principal activity of the company as described in page 2 of the directors' report. A geographical analysis of turnover is as follows:

	1997 £	1996 £
United Kingdom	<u>19717593</u>	<u>23538784</u>

3. COST OF SALES AND EXPENSES

	1997		1996	
	Continuing £	Discontinued £	Continuing £	Discontinued £
Cost of sales	<u>17382377</u>	<u>-</u>	<u>20571672</u>	<u>-</u>
Administrative expenses	<u>2133625</u>	<u>-</u>	<u>1664304</u>	<u>-</u>

4. OPERATING PROFIT is stated after charging/(crediting):

	1997 £	1996 £
Depreciation of tangible fixed assets:		
- Write off of leasehold improvements	54821	-
- owned by the company	100122	115299
- held under finance leases and hire purchase contracts	153071	96015
Auditors' remuneration		
- Audit services	10000	9000
- Non audit services	9025	12100
Equipment hire	1344	4731
Gain on disposal of investments	<u>(39578)</u>	<u>-</u>

LLOYDS METAL PROCESSORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1997
(CONTINUED.....)**

5. STAFF COSTS

Staff costs including directors during the year were as follows:

	1997	1996
	£	£
Wages and salaries	985309	711530
Social security costs	88927	73444
Other pension costs	1340	3963
	<u>1075576</u>	<u>788937</u>
Number of employees		

The average weekly number of persons (including directors) employed by the company during the year was:

	1997	1996
	No.	No.
Administration & selling	<u>38</u>	<u>38</u>

Remuneration of Directors was as follows:

	1997	1996
	£	£
For management services	486670	290481
Other emoluments (including pension contributions and benefits-in-kind)	24852	27475
	<u>511522</u>	<u>317956</u>

Fees and other emoluments disclosed above (excluding pension contributions) include amounts paid to:

	£	£
The chairman and the highest-paid director	<u>390352</u>	<u>265000</u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	1997	1996
	£	£
Related company loans	<u>68875</u>	<u>38411</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	1997	1996
	£	£
On Bank loans, overdrafts & other loans:		
- repayable within 5 years not by instalments	110699	76807
On hire purchase contracts & finance leases:		
- terminating within 5 years	87308	80831
Other interest	3079	14638
	<u>201086</u>	<u>172276</u>

LLOYDS METAL PROCESSORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1997
(CONTINUED)**

8. TAXATION ON PROFIT ON ORDINARY ACTIVITIES	1997 £	1996 £
Current year taxation		
Corporation Tax at 33% (1996:33%)	86927	372550
Transferred to Deferred taxation	<u>1037</u>	<u>48343</u>
	87964	420893
Prior years		
Corporation Tax	-	19470
	<u>87964</u>	<u>440363</u>
9. DIVIDENDS	1997 £	1996 £
Equity ordinary dividend of £Nil (1996:£Nil) per ordinary share	-	-
Non-equity preference dividend 5% redeemable preference shares 2.5p (1996:5p) per preference share	<u>5000</u>	<u>10000</u>
	<u>5000</u>	<u>10000</u>

10. TANGIBLE FIXED ASSETS

	Leasehold Imp's £	Plant & Machinery £	Fixt's & Fittings £	Motor vehicles £	Total £
COST					
At 1st April 1996	53989	1391182	110221	498295	2053687
Additions	25465	301286	10351	119756	456858
Disposals	-	(11500)	-	(62236)	(73736)
At 31st March 1997	<u>79454</u>	<u>1680968</u>	<u>120572</u>	<u>555815</u>	<u>2436809</u>
DEPRECIATION					
At 1st April 1996	17126	377350	60047	137556	592079
Charge for the year	62328	157500	8757	79429	308014
Disposals	-	(1462)	-	(19737)	(21199)
At 31st March 1997	<u>79454</u>	<u>533388</u>	<u>68804</u>	<u>197248</u>	<u>878894</u>
NET BOOK VALUE					
At 31st March 1997	-	<u>1147580</u>	<u>51768</u>	<u>358567</u>	<u>1557915</u>
At 31st March 1996	<u>36863</u>	<u>1013832</u>	<u>50174</u>	<u>360739</u>	<u>1461608</u>

Included above are assets held under finance leases or hire purchase contracts with net book values as follows:

	1997 £	1996 £
Plant & machinery	625555	418684
Motor vehicles	<u>283083</u>	<u>229283</u>
	<u>908638</u>	<u>647967</u>

LLOYDS METAL PROCESSORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1997
(CONTINUED)**

11. INVESTMENTS	1997	1996
	£	£
Manchester City Football Club plc:		
At 1st April 1996	125000	175000
Additions	-	-
Disposals	(125000)	(50000)
At 31st March 1997	<u>-</u>	<u>125000</u>
 12. STOCKS	 1997	 1996
	£	£
Metal stocks	<u>435012</u>	<u>551030</u>
 13. DEBTORS	 1997	 1996
	£	£
Due within one year:		
Trade debtors	949089	1205579
Amounts due from group undertakings	1220607	308684
Amounts due from undertakings under common control	1478018	-
S419 taxation receivable	8329	8329
ACT recoverable	-	6250
Directors loan accounts	-	22225
Other debtors	-	286
Prepayments & accrued income	<u>28000</u>	<u>29232</u>
	<u>3684043</u>	<u>1580585</u>

The maximum amount outstanding on the directors loan accounts during the year was B Jervis £180211 and A Higgins £42791.

LLOYDS METAL PROCESSORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1997
(CONTINUED)**

14. CREDITORS: Amounts falling due within one year

	1997	1996
	£	£
Bank overdraft (secured)	1521551	-
Trade creditors	332030	242554
Net obligations under finance leases and hire purchase contracts (secured)	328763	196217
Amounts due to group undertaking	170932	-
Amounts due to undertakings under common control	-	7741
Corporation tax	452178	623995
ACT payable	1250	6250
Social security & other taxes	484089	386856
Other creditors	71749	-
Accruals & deferred income	<u>44800</u>	<u>43812</u>
	<u>3407342</u>	<u>1507425</u>

The bank loans and overdraft amounting to £1521551 (1996:£Nil) are secured by a fixed and floating charge over the company's assets. The finance leases and hire purchase contracts are secured on the assets concerned.

15. CREDITORS: Amounts falling due after more than one year

	1997	1996
	£	£
Bank loans (secured)	-	75534
Net obligations under finance leases and hire purchase contracts (secured)	<u>559157</u>	<u>273819</u>
	<u>559157</u>	<u>349353</u>

The bank loan can be further analysed as follows:

	1997	1996
	£	£
Within one year, incl. amounts payable on demand	-	-
Between one and two years	-	75534
Between two and five years	-	-
In five years or more	<u>-</u>	<u>75534</u>

The finance leases and hire purchase contracts are secured on the assets concerned and are repayable in instalments between two and five years.

LLOYDS METAL PROCESSORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1997
(CONTINUED)**

16. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred tax is attributable to:

	Full potential liability		Provided	
	1997	1996	1997	1996
	£	£	£	£
Accelerated capital allowances	<u>152092</u>	<u>151055</u>	<u>152092</u>	<u>151055</u>

The movements in deferred tax are as follows:

	1997	1996
	£	£
Balance brought forward	151055	102712
Transfer to profit and loss account	<u>1037</u>	<u>48343</u>
Balance carried forward	<u>152092</u>	<u>151055</u>

17. SHARE CAPITAL

	1997	1996
	£	£
Authorised:		
500000 Ordinary shares of £1 each	<u>500000</u>	<u>500000</u>
200000 5% Redeemable preference shares of £1 each	<u>200000</u>	<u>200000</u>
Allotted, called up and fully paid:		
100000 Ordinary shares of £1 each	<u>100000</u>	<u>100000</u>
200000 5% Redeemable preference shares of £1 each	<u>-</u>	<u>200000</u>

The preference shares were redeemed from retained reserves on a £1 for £1 basis on 30th September 1996.

18. CAPITAL REDEMPTION RESERVE

	1997	1996
	£	£
Redemption of preference shares	<u>200000</u>	<u>-</u>
Balance carried forward	<u>200000</u>	<u>-</u>

LLOYDS METAL PROCESSORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1997
(CONTINUED)**

19. PROFIT AND LOSS ACCOUNT	1997	1996
	£	£
Balance brought forward	1475722	761280
Profit retained for the year	31230	714442
Redemption of preference shares	<u>(200000)</u>	<u>-</u>
Balance carried forward	<u>1306952</u>	<u>1475722</u>
 20. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	 1997	 1996
	£	£
Profit for the year	36230	724442
Dividends	<u>(5000)</u>	<u>(10000)</u>
	31230	714442
Preference shares redeemed	<u>(200000)</u>	<u>-</u>
Net (deficit)/additions during the year	(168770)	714442
Shareholders' funds brought forward	<u>1775722</u>	<u>1061280</u>
Shareholders' funds carried forward	<u>1606952</u>	<u>1775722</u>
 21. ANALYSIS OF SHAREHOLDERS FUNDS	 1997	 1996
	£	£
Equity Interests		
Ordinary share capital	100000	100000
Redemption of preference shares	200000	-
Profit and loss account	<u>1306952</u>	<u>1475722</u>
	1606952	1575722
 Non-equity interests		
Preference share capital	<u>-</u>	<u>200000</u>
	<u>1606952</u>	<u>1775722</u>

LLOYDS METAL PROCESSORS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1997
(CONTINUED)**

22. GROSS CASH FLOWS	1997		1996	
	£	£	£	£
Returns on investments and servicing of finance				
Interest received	68875		38411	
Bank interest paid	(113778)		(91445)	
H P Interest paid	(87308)		(80831)	
Non equity dividend	<u>(5000)</u>		<u>(25000)</u>	
		<u>(137211)</u>		<u>(158865)</u>
Capital expenditure				
Payments to acquire tangible fixed assets	(206858)		(332401)	
Receipts from sales of tangible fixed assets	<u>67773</u>		<u>140765</u>	
		<u>139085</u>		<u>(191636)</u>
Management of liquid resources				
Sale of investment	<u>125000</u>		<u>50000</u>	
		<u>125000</u>		<u>50000</u>
Financing				
Redemption of preference shares	(200000)		-	
Capital element of hire purchase	(202116)		(266898)	
Repayment of loan	(75534)		(49466)	
Increase in short term borrowings	<u>370000</u>		-	
		<u>(107650)</u>		<u>(316364)</u>

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4 1996 £	Cash Flows £	Other Changes £	At 31.3 1997 £
Cash in hand, at bank	65332	(16759)	-	48573
Overdrafts	<u>-</u>	<u>(1521551)</u>	-	<u>(1521551)</u>
	65332	(1538310)	-	(1472978)
Debt due within 1 year	(196217)	(417884)	285338	(328763)
Debt due after 1 year	(349353)	75534	(285338)	(559157)
Current asset investments	<u>125000</u>	<u>(125000)</u>	-	-
TOTAL	<u>(355238)</u>	<u>(2005660)</u>	-	<u>(2360898)</u>

LLOYDS METAL PROCESSORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 1997
(CONTINUED)

24. CONTINGENT LIABILITIES

The company has provided guarantees in favour of the following companies:

	1997	1996
	£	£
Valley & Vale Properties Limited	<u>2200748</u>	<u>772610</u>
M & C Metals Limited	<u>895582</u>	<u>-</u>
Lloyds Metal Group plc	<u>700000</u>	<u>-</u>

25. TRANSACTIONS WITH DIRECTORS

B F Jervis is a director of Valley and Vale Properties Limited, which during the year charged rent to the company of £52000 (1996:£52000).

26. ULTIMATE HOLDING COMPANY

The company is a wholly owned subsidiary of Lloyds Metal Group plc, a company incorporated in England and Wales.