

Company Registration No. 853935

Steel Plate and Sections Limited

Report and Financial Statements

31 December 2010

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Steel Plate and Sections Limited

Report and financial statements 2010

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Steel Plate and Sections Limited

Report and financial statements 2010

Officers and professional advisers

Directors

Andrew E Jones
Gary P Mullins
David J Paul
Julian Verden
Toby M Gladstone
Michael G Broom

Secretary

Andrew S Goldsmith

Registered Office

Level 27
City Point
1 Ropemaker Street
London
EC2Y 9ST

Principal bankers

HSBC
8 Canada Square
London
E14 5HQ

Auditors

Cooper Parry LLP
Chartered Accountants & Statutory Auditor
Derby

Steel Plate and Sections Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2010

Business review and principal activities

The principal activity of the company is steel stockholding. The directors are not aware at the date of this report, of any likely major changes in the company's activities in the next year.

The company is a wholly owned subsidiary of Stemcor Holdings Limited and operates as part of the Stemcor group's European Stockholding division.

As anticipated in our previous business review, markets recovered strongly throughout 2010, which, coupled with rising commodity and energy prices, led to a substantial increase in material cost. Turnover for 2010 showed a healthy increase of 17% and profit before tax increased by 15% against the corresponding period. This was largely due to the increased activity in the Oil & Gas sector, and our continued success in this field. General construction activity remained flat, although we are now seeing signs of recovery.

Our UK, European, and Far Eastern operations all performed well during 2010, and we will continue to expand these operations during 2011 with the aim of increasing our market share.

The Middle Eastern market remained flat, and was still recovering from the financial crisis of 2009. We are however seeing small signs of recovery and anticipate an increased level of activity for 2011.

Looking forward, the trend of increased enquiries and prices continues during the early part of 2011. The Offshore Oil & Gas Development sector is particularly buoyant, largely fuelled by the ever increasing price of crude. On this basis, we anticipate a busy year ahead, and look forward to maintaining our recent profitability throughout 2011 as a minimum.

Principal risks and uncertainties

The company's operations expose it to a variety of financial risks that include the effects of credit risk, liquidity risk and interest rate risk. The directors actively manage these risks by monitoring levels of risk and the related costs. The company uses short term external financing to ensure that it has sufficient funds available for its operations and its required working capital.

As the company is primarily a steel stockholder, our main risk is maintaining the right stock levels in the right geographical locations to meet our customers' needs. We also need to ensure that we have sufficient lines of supply to meet customers' needs.

The over-riding factor to be borne in mind regarding all of the above is not to be over stocked at high prices in the event of a down turn. Our inventory is comprehensive, but not, in our view over stocked. We had stopped buying by the second half of 2008 as prices had risen more than we felt comfortable with. This view stood us in good stead, and our current inventory, is manageable and workable. We have had to make some NRV provisions but these have been minimal.

Our international trading means we are exposed to exchange rate fluctuations which are limited by a natural trading hedge, with any residual risk being managed using forward contracts and currency swaps.

Result and dividends

The results for the year are set out on page 7.

The directors declared a dividend of £9,350,000 (2009 - £4,863,000).

Directors

The directors who served during the year and subsequently are listed on the company information page.

Steel Plate and Sections Limited

Directors' report

Political and charitable contributions

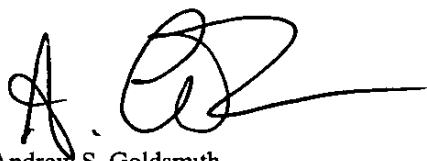
During the year charitable donations totalled £1,623 (2009 -£nil)

Auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

The report was approved by the board on 24 - 03 - 11 and signed on its behalf

A handwritten signature in black ink, appearing to read 'A. Goldsmith', with a long horizontal flourish extending to the right.

Andrew S Goldsmith
Company Secretary

Steel Plate and Sections Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF STEEL PLATE AND SECTIONS LIMITED

We have audited the financial statements of Steel Plate and Sections Limited for the year ended 31 December 2010, set out on pages 7 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF STEEL
PLATE AND SECTIONS LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Cooper Parry LLP

Peter Sterling (Senior statutory auditor)
for and on behalf of
Cooper Parry LLP
Chartered Accountants and Statutory Auditor
Derby, United Kingdom
Date *25 March 2011*

Steel Plate and Sections Limited

Profit and loss account Year ended 31 December 2010

	Note	2010 £'000	2009 £'000
Turnover			
Continuing operations		53,056	41,488
Discontinued operations		-	3,746
		<hr/>	<hr/>
Cost of sales	1,2 5	53,056 (40,736)	45,234 (33,866)
		<hr/>	<hr/>
Gross profit		12,320	11,368
Distribution costs	5	(3,230)	(3,743)
Administrative expenses	5	(4,570)	(3,651)
Other operating income	3,5	-	18
		<hr/>	<hr/>
Operating profit			
Continuing operations		4,520	3,985
Discontinued operations		-	7
		<hr/>	<hr/>
		4,520	3,992
Interest receivable and similar income		2	23
Interest payable and similar charges	4	(24)	(138)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		4,498	3,877
Tax on profit on ordinary activities	9	(1,484)	(941)
		<hr/>	<hr/>
Profit for the financial year		<u>3,014</u>	<u>2,936</u>

Steel Plate and Sections Limited
Registered number: 853935

Balance sheet
As at 31 December 2010

	Note	2010		2009	
		£	£	£	£
Fixed assets					
Tangible fixed assets	10		1,893		2,319
Investments	11		-		-
			<u>1,893</u>		<u>2,319</u>
Current assets					
Stock	12	8,277		10,584	
Debtors	13	9,773		5,489	
Cash at bank and in hand		2,657		6,359	
		<u>20,707</u>		<u>22,432</u>	
Creditors: amounts falling due within one year	14	<u>(8,785)</u>		<u>(4,138)</u>	
Net current assets			<u>11,922</u>		<u>18,294</u>
Total assets less current liabilities			<u>13,815</u>		<u>20,613</u>
Creditors: amounts falling due after more than one year	14		<u>(397)</u>		<u>(545)</u>
Net assets			<u><u>13,418</u></u>		<u><u>20,068</u></u>
Capital and reserves					
Called up share capital	15		75		75
Revaluation reserve	16		566		887
Capital redemption reserve	16		25		25
Profit and loss account	16		12,752		19,081
Shareholders' funds			<u><u>13,418</u></u>		<u><u>20,068</u></u>

These financial statements were approved by the Board of Directors on 24-03-2011

Signed on behalf of the Board of Directors



Andrew E Jones
Director

Steel Plate and Sections Limited

Reconciliation of movements in shareholders' funds For the year ended 31 December 2010

	2010 £'000	2009 £'000
Profit on ordinary activities after taxation	3,014	2,936
Dividends	(9,350)	(4,863)
Deficit on revaluation of freehold land and buildings	(314)	-
Net reduction in shareholders' funds	(6,650)	(1,927)
Opening shareholders' funds	20,068	21,995
Closing shareholders' funds	13,418	20,068

Statement of total recognised gains and losses For the year ended 31 December 2010

	2010 £'000	2009 £'000
Profit for the financial year	3,014	2,936
Deficit on revaluation of freehold land and buildings	(314)	-
Total recognised gains and losses for the financial year	2,700	2,936

Note of historical profits and losses For the year ended 31 December 2010

	2010 £'000	2009 £'000
Reported profit on ordinary activities before taxation	4,498	3,877
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	7	7
Historical cost profit on ordinary activities before taxation	4,505	3,884
Historical profit for the year after taxation	3,021	2,943

Steel Plate and Sections Limited

Notes to the accounts Year ended 31 December 2010

1. Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold property and in accordance with the Companies Act 2006, applicable United Kingdom law and applicable UK accounting standards

The principal accounting policies are summarised below. They have all been consistently applied throughout the current year and preceding period.

The Directors' Report describes the going concern basis of preparation of the financial statements.

Group accounts have not been prepared as all of the company's subsidiaries are permitted to be excluded from group accounts by virtue of sections 402 and 405 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The Company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised) from the requirement to produce a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking and whose parent prepares a group cash flow statement that includes the company.

1.2 Turnover

Turnover represents the invoiced amount of goods sold and services provided to third parties net of value added tax. Revenue arising from the sale of steel is recognised when the risks and rewards of ownership have substantially passed to the customer.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2% straight line
Short leasehold improvements	- over the period of the lease
Plant and machinery	- 15% straight line
Motor vehicles	- 25% reducing balance
Office equipment	- 15% straight line
Computer equipment	- 20% straight line

1.4 Revaluation of properties

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the profit and loss account.

Steel Plate and Sections Limited

Notes to the accounts Year ended 31 December 2010

1. Accounting policies (continued)

1.5 Investments

Investments held as fixed assets are valued at cost less provision for impairment

1.6 Leased assets

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over 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.

The cost of operating leases is charged to the profit and loss account on a straight line basis over the life of the lease.

1.7 Stocks

Stocks are stated at the lower of cost and net realisable value.

1.8 Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange on the date of the transaction or, if hedged, at the forward contract rate.

Monetary assets and liabilities other than sterling at the balance sheet date are translated at the effective rate of exchange ruling at the 31 December 2010 or, if hedged, the forward contract rate. Any foreign exchange gains and losses are recognised in the profit and loss account.

1.9 Pensions

The company operates a defined contribution pension schemes and the charge for the year represents the amounts payable by the company to the fund in respect of the year.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A deferred tax asset is recognised only if 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.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Steel Plate and Sections Limited

Notes to the accounts

Year ended 31 December 2010

2. Segmental analysis

The total turnover of the company for the period has been derived from its principal activity. All turnover arose within the UK.

The segmental analysis of turnover by destination is as follows

	2010 £'000	2009 £'000
United Kingdom	14,128	11,625
Rest of Europe	2,809	5,889
North America	315	511
Rest of World	35,804	27,209
	<u>53,056</u>	<u>45,234</u>

3. Other operating income

	2010 £'000	2009 £'000
Sundry income	<u>-</u>	<u>18</u>

4. Interest payable and similar charges

	2010 £'000	2009 £'000
On bank loans and overdrafts	7	9
On finance leases and hire purchase contracts	10	11
On loans from group undertakings	-	33
On invoice discounting	7	85
	<u>24</u>	<u>138</u>

Steel Plate and Sections Limited

Notes to the accounts Year ended 31 December 2010

5. Cost of sales and expenses

	2010 £'000	2010 £'000	2009 £'000	2009 £'000
	Continuing	Discontinued	Continuing	Discontinued
Cost of sales	40,736	-	30,474	3,392
Distribution costs	3,230	-	3,669	74
Administrative expenses	4,570	-	3,378	273
Other operating income	-	-	(18)	-

6. Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging/(crediting)

	2010 £'000	2009 £'000
Auditors' remuneration - fees payable to the company's auditors for the audit of the company's annual accounts	36	32
Auditors' remuneration - fees payable to the company's auditor and its associates in respect of taxation services	4	4
Auditors' remuneration - fees payable to the company's auditor and its associates in respect of all other services	3	8
Depreciation of tangible fixed assets		
- owned by the company	120	119
- held under finance leases	38	61
Operating lease charges – land and buildings	332	478
Operating lease charges – plant and machinery	31	35
Gain on foreign exchange	(148)	(1,374)

Steel Plate and Sections Limited

Notes to the accounts Year ended 31 December 2010

7. Directors' emoluments

	2010 £'000	2009 £'000
Emoluments for qualifying services	962	985
Company pension contributions to money purchase pension schemes	29	28

During the year retirement benefits were accruing to 2 directors (2009 - 2) in respect of money purchase pension schemes

The highest paid director received emoluments of £498,186 (2009 - £353,515)

The value of the company's contributions paid to a money purchase pension scheme in respect of the highest paid director amounted to £15,938 (2009 - £15,300)

8. Employees

The total employment costs, including directors' remuneration, were as follows

	2010 £'000	2009 £'000
Wages and salaries	3,238	3,533
Social security costs	372	390
Other pension costs	149	154
	3,759	4,077

The average monthly number of employees, including directors, during the year was as follows

	2010 No.	2009 No.
Sales and distribution	24	25
Administration	16	14
Production	31	39
	71	78

Steel Plate and Sections Limited

Notes to the accounts Year ended 31 December 2010

9. Tax on profit on ordinary activities

	2010 £'000	2009 £'000
<i>Current Taxation</i>		
UK corporation tax for the year	1,287	941
Adjustments in respect of prior periods	197	-
Total current tax on profits on ordinary activities	<u>1,484</u>	<u>941</u>

Factors affecting tax charge for the year

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 28% (2009 - 28%)
The actual tax charge for the current and the previous year differs from the standard rate for the reasons set out in the following reconciliation

	2010 £'000	2009 £'000
Profit on ordinary activities before tax	<u>4,498</u>	<u>3,877</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 - 28%)	<u>1,260</u>	<u>1,085</u>
<i>Effects of</i>		
Expenses not deductible for tax purposes	26	32
Difference between capital allowances and depreciation	(8)	14
Other timing differences	9	-
Group relief claimed	-	(190)
Adjustments to tax charge in respect of prior periods	197	-
Current tax charge for the year	<u>1,484</u>	<u>941</u>

Factors that may affect future tax charges

There are capital losses of £307,000 (2009 - £307,000) carried forward to utilise against any profit on disposal of the revalued property

Steel Plate and Sections Limited

Notes to the accounts Year ended 31 December 2010

10. Tangible fixed assets

	Freehold land and buildings £'000	Short term leasehold improvements £'000	Plant, equipment and motor vehicles £'000	Total £'000
Cost or valuation				
At 1 January 2010	1,900	198	1,402	3,500
Additions	-	-	80	80
Disposals	-	-	(195)	(195)
Revaluation deficit	(400)	-	-	(400)
	<u>1,500</u>	<u>198</u>	<u>1,287</u>	<u>2,985</u>
At 31 December 2010				
Depreciation				
At 1 January 2010	61	198	922	1,181
Charge for the year	25	-	133	158
On disposals	-	-	(161)	(161)
On revalued assets	(86)	-	-	(86)
	<u>-</u>	<u>198</u>	<u>894</u>	<u>1,092</u>
At 31 December 2010				
Net book value				
At 31 December 2010	<u>1,500</u>	<u>-</u>	<u>393</u>	<u>1,893</u>
At 31 December 2009	<u>1,839</u>	<u>-</u>	<u>480</u>	<u>2,319</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2010 £'000	2009 £'000
Plant, equipment and motor vehicles	<u>124</u>	<u>204</u>

Included within the freehold land and buildings at the year end is an amount attributable to value of land of £532,000 (2009 - £675,000) which is not being depreciated

Cost or valuation at 31 December 2010 is as follows

	Freehold land and buildings £'000
At cost	1,047
At valuation:	
27 June 2007	853
16 December 2010	(400)
	<u>1,500</u>

Steel Plate and Sections Limited

Notes to the accounts Year ended 31 December 2010

10. Tangible fixed assets (continued)

The freehold land and buildings were revalued on 16 December 2010 by Bruton Knowles RICS, independent valuers, on an open market existing use basis

If the freehold land and buildings had not been included at valuation they would have been included under the historical cost convention as follows

	2010 £'000	2009 £'000
Cost	1,047	1,047
Accumulated depreciation	(112)	(95)
Net book value	<u>935</u>	<u>952</u>

11. Investments

	Shares in group undertakings £'000
Cost or valuation	
At 1 January 2010 and 31 December 2010	<u>1,002</u>
Impairment	
At 1 January 2010 and 31 December 2010	<u>1,002</u>
Net book value	
At 31 December 2010	<u>-</u>
At 31 December 2009	<u>-</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company

Name	Class of share	Holding	Nature of main business
Steel Plate and Sections (Scotland) Limited	Ordinary	100%	Dormant

Steel Plate and Sections Limited

Notes to the accounts Year ended 31 December 2010

12. Stocks

	2010 £'000	2009 £'000
Finished goods and goods for resale	8,277	10,584

13. Debtors

	2010 £'000	2009 £'000
Trade debtors	8,792	4,878
Amounts owed by group undertakings	367	441
Other debtors	463	64
Prepayments and accrued income	151	106
	9,773	5,489

Included within trade debtors is £7,917,000 (2009 - £4,815,000) of debts that are subject to an invoice discounting facility

14. Creditors:

Amounts due falling within one year

	2010 £'000	2009 £'000
Bank loans and overdrafts	2,189	50
Net obligations under finance leases and hire purchase contracts	59	86
Trade creditors	4,215	2,345
Amounts owed to group undertakings	54	88
Corporation tax	662	441
Taxation and social security	563	314
Other creditors	251	104
Accruals and deferred income	792	710
	8,785	4,138

The company's invoice discounting facility is secured on certain of the company's trade debtors and is included within bank overdrafts. The bank loan is secured by a mortgage over the company's freehold land and buildings. Obligations under finance lease and hire purchase agreements are secured on the assets concerned.

Steel Plate and Sections Limited

Notes to the accounts Year ended 31 December 2010

14. Creditors (continued)

Amounts due falling after one year

	2010 £'000	2009 £'000
Bank loans	367	463
Net obligations under finance leases and hire purchase contracts	30	82
	<u>397</u>	<u>545</u>

Creditors include amounts not wholly repayable within 5 years as follows

	2010 £'000	2009 £'000
Repayable by instalments	<u>61</u>	<u>232</u>

The bank loan is repayable by instalments of £72,634 per annum and interest is charged at a rate of 1% over the bank base rate

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	2010 £'000	2009 £'000
Between one and five years	<u>30</u>	<u>82</u>

15. Share capital

	2010 £'000	2009 £'000
Allotted, called up and fully paid 74,700 ordinary shares of £1 each	<u>75</u>	<u>75</u>

16. Reserves

	Capital redemption reserve £'000	Revaluation reserve £'000	Profit and loss account £'000
At 1 January 2010	25	887	19,081
Profit for the financial year	-	-	3,014
Dividends paid	-	-	(9,350)
Deficit on revaluation of freehold land and buildings	-	(314)	-
Transfer between revaluation reserve and profit and loss account	-	(7)	7
At 31 December 2010	<u>25</u>	<u>566</u>	<u>12,752</u>

Steel Plate and Sections Limited

Notes to the accounts Year ended 31 December 2010

17. Dividends paid

	2010 £'000	2009 £'000
Dividends paid	<u>9,350</u>	<u>4,863</u>

18. Contingent liabilities

There is a contingent liability in respect of a contract related guarantee for £322,000 entered into in the normal course of business and which is due to expire on 10 September 2011

19. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered individual personal pension fund. The pension charge represents contributions payable by the company to the fund, and amounted to £149,000 (2009 - £154,000). No amounts were outstanding at the year end.

20. Operating lease commitments

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
Expiry date:				
Within 1 year	40	-	-	-
Between 2 and 5 years	<u>236</u>	<u>357</u>	<u>27</u>	<u>34</u>

21. Transactions with directors

The following directors had interest free loans during the year. The movement on these loans are as follows

	2010 £'000	2009 £'000
A E Jones	7	15
G P Mullins	2	-

The company has also guaranteed lease arrangements for motor vehicles on behalf of the above directors. At 31 December 2010, the amount outstanding on these arrangements was £nil (2009 - £9,000).

Steel Plate and Sections Limited

Notes to the accounts Year ended 31 December 2010

22. Related party transactions

The company has taken advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard No 8, Related Party Transactions, not to disclose transactions with Stemcor Holdings Limited group companies

23. Ultimate parent company and controlling party

The ultimate and immediate parent company is Stemcor Holdings Limited which is incorporated in Great Britain and registered in England and Wales. The Company is ultimately controlled by Mr R D Oppenheimer, the Chairman, and his relatives, who in aggregate have an interest in 71% of the issued share capital of Stemcor Holdings Limited. The largest and smallest group which consolidates the company's accounts is Stemcor Holdings Limited.

Copies of the ultimate parent company's accounts can be obtained from

Companies House
Crown Way
Mandy
Cardiff CF14 3UZ