

961006

SECOND LINK STEEL COMPANY LIMITED

ACCOUNTS FOR THE YEAR ENDED

31st DECEMBER, 2001



SECOND LINK STEEL COMPANY LIMITED

DIRECTORS	A.S. Goldsmith R.J.A. Smith
SECRETARY	R.J.A. Smith
REGISTERED OFFICE	Level 27 CityPoint 1 Ropemaker Street, London EC2Y 9ST
REGISTERED NUMBER	961006 (England & Wales)
AUDITORS	Jacobs Sassoon, Chartered Accountants, 3 Stedham Place, London WC1A 1HU

REPORT AND ACCOUNTS - 31st DECEMBER, 2001

Pages	1 - 2	Report of the directors
	3	Report of the auditors
	4	Profit and loss account
	5	Balance sheet
	6 - 7	Notes to the accounts

SECOND LINK STEEL COMPANY LIMITED**REPORT OF THE DIRECTORS**

The directors present their report with the accounts of the company for the year ended 31st December, 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of holding investments. The company did not trade during the year.

DIVIDENDS

The directors do not recommend the payment of a dividend for the year under review.

EVENTS SINCE THE END OF THE YEAR

Since the end of the financial year no events have occurred which should be brought to the attention of the shareholders.

TAX STATUS

The company is a close company within the meaning of the Income and Corporation Taxes Act 1988.

DIRECTORS

The directors in office during the year were as follows:

A.S. Goldsmith
R.J.A. Smith

The directors have no beneficial interest in the shares of the company. The interests of directors in the shares of the ultimate holding company are disclosed in the financial statements of that company.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts 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 accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

SECOND LINK STEEL COMPANY LIMITED

REPORT OF THE DIRECTORS

(continued)

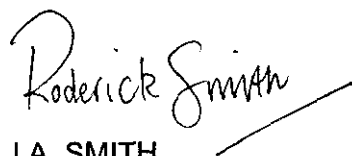
ULTIMATE HOLDING COMPANY

The company is a wholly owned subsidiary of Stemcor Holdings Limited which is incorporated in the United Kingdom and registered in England.

AUDITORS

The auditors, Jacobs Sassoon, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

Signed on behalf of the
board of directors

A handwritten signature in cursive script that reads "Roderick Smith". The signature is written in dark ink and is positioned above the printed name and title of the signatory.

R.J.A. SMITH
Secretary

Approved by the board: 28th February 2002

AUDITORS' REPORT TO THE SHAREHOLDERS OF

SECOND LINK STEEL COMPANY LIMITED

We have audited the accounts on pages 4 to 7 which have been prepared in accordance with the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

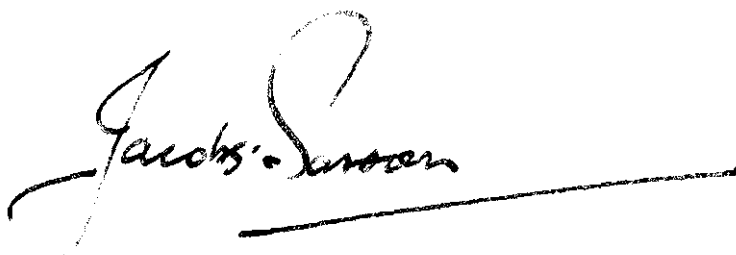
BASIS OF OPINION

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st December, 2001 and of the results for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

A handwritten signature in dark ink, appearing to read 'Jacobs Sassoon', is written over a horizontal line.

JACOBS SASSOON
Chartered Accountants
& Registered Auditors,
3 Stedham Place,
London WC1A 1HU

28th February 2002

SECOND LINK STEEL COMPANY LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31st DECEMBER, 2001**

	<u>2001</u>	<u>2000</u>
	£	£
PROFIT/(LOSS) on ordinary activities before and after taxation	-	-
RETAINED PROFIT at 1 st January 2001	<u>£ 3,784</u>	<u>£ 3,784</u>
RETAINED PROFIT at 31 st December 2001	<u>£ 3,784</u>	<u>£ 3,784</u>

The company did not trade and has no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 and 7 form part of these accounts.

SECOND LINK STEEL COMPANY LIMITED**BALANCE SHEET - 31st DECEMBER, 2001**

	<u>Notes</u>	<u>2001</u>	<u>2000</u>
		£	£
CURRENT ASSETS			
Debtors	2	42,132	42,132
CREDITORS: amounts falling due within one year	3	1,923	1,923
		<hr/>	<hr/>
NET CURRENT ASSETS		40,209	40,209
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 40,209	£ 40,209
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	4	100	100
Share premium account		36,325	36,325
Profit and loss account		3,784	3,784
		<hr/>	<hr/>
Shareholders' funds	5	£ 40,209	£ 40,209
		<hr/>	<hr/>

Signed on behalf of
the board of directors

A.S. GOLDSMITH
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Director



Approved by the board: 28th February 2002

SECOND LINK STEEL COMPANY LIMITED**NOTES TO THE ACCOUNTS - 31st DECEMBER, 2001****1. ACCOUNTING POLICIES****(a) Basis of accounting**

The accounts have been prepared under the historical cost convention.

(b) Cash flow statement

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking.

2. DEBTORS20012000

Amount due from group company

£ 42,132

£ 42,132

**3. CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR**

Amount due to group company

£ 1,923

£ 1,923

4. CALLED UP SHARE CAPITAL

Authorised, allotted, issued
and fully paid

100 ordinary shares of £1 each

£ 100

£ 100

**5. RECONCILIATION OF MOVEMENTS
ON SHAREHOLDERS' FUNDS**

£

£

Profit for the financial year
after taxation

-

-

Opening shareholders funds
at 1st January, 2001

40,209

40,209

Closing shareholders funds
at 31st December, 2001

£ 40,209

£ 40,209

SECOND LINK STEEL COMPANY LIMITED

NOTES TO THE ACCOUNTS - 31st DECEMBER, 2001

(continued)

6. ULTIMATE HOLDING COMPANY

The ultimate holding company is Stemcor Holdings Limited which is incorporated in the United Kingdom and registered in England and Wales. The largest and smallest group which consolidates the company's accounts is Stemcor Holdings Limited.

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

Companies House,
Crown Way,
Cardiff,
CF4 3UZ