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COMPANY REGISTRATION NUMBER 02860600

**DNT COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**30TH NOVEMBER 2006**

**GRIFFITHS & PEGG**

Chartered Accountants  
42-43 Reddal Hill Road  
Cradley Heath  
West Midlands  
B64 5JS

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**DNT COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH NOVEMBER 2006**

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**DNT COMPANY LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

**The board of directors**

Mr D Babic  
Mr A S Feek  
Mrs R E Babic  
Mrs F Feek

**Company secretary**

Mr D Babic

**Registered office**

The Red House  
Alveston  
Stratford - Upon - Avon  
Warwickshire  
CV37 7QA

**Accountants**

Griffiths & Pegg  
Chartered Accountants  
42-43 Reddal Hill Road  
Cradley Heath  
West Midlands  
B64 5JS

**Bankers**

HSBC Bank plc  
13 Chapel Street  
Stratford - upon - Avon  
Warwickshire  
CV37 6ET

**DNT COMPANY LIMITED**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 30TH NOVEMBER 2005**

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 30th November 2006

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was buying and selling steel within Europe

The directors are satisfied with the improved results for the year

**THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE COMPANY**

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows

	Ordinary Shares of £1 each	
	At 30 November 2006	At 1 December 2005
Mr D Babic	1	1
Mr A S Feek	1	1
Mrs R E Babic	-	-
Mrs F Feek	-	-
	<hr/>	<hr/>

**RETIREMENT OF DIRECTORS**

In accordance with the Articles of Association, Mr D Babic will retire from the board and, being eligible, will stand for re-appointment

**FIXED ASSETS**

Movements in fixed assets are detailed in the notes to the financial statements

**DIRECTORS' RESPONSIBILITIES**

Company law requires the 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 year

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 6 to 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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. The directors 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

**AUDIT**

The directors have decided to take advantage of the exemption conferred by section 249A(1) of the Companies Act 1985 relating to the audit of the financial statements. No member has requested the company to obtain an audit pursuant to section 249B(2) of that Act. Therefore an audit has not been carried out for the year under review

**DNT COMPANY LIMITED**  
**THE DIRECTORS' REPORT**  
**YEAR ENDED 30TH NOVEMBER 2006**

**CLOSE COMPANY PROVISIONS**

In the opinion of the directors, the company is a close company within the meaning of S 414 Income and Corporation Taxes Act, 1988 (as amended)

**SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

Registered office  
The Red House  
Alveston  
Stratford - Upon - Avon  
Warwickshire  
CV37 7QA

Signed on behalf of the directors

A handwritten signature in black ink, appearing to be 'A S Feek', with a stylized flourish at the end.

Mr A S Feek  
Director

Approved by the directors on 24<sup>th</sup> July 2007

**DNT COMPANY LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30TH NOVEMBER 2006**

	Note	2006 £	2005 £
<b>TURNOVER</b>	<b>2</b>	<b>5,314,857</b>	<b>5,832,759</b>
Cost of sales		<u>(4,547,789)</u>	<u>(5,245,937)</u>
<b>GROSS PROFIT</b>		<b>767,068</b>	<b>586,822</b>
Administrative expenses		<u>(368,804)</u>	<u>(373,642)</u>
<b>OPERATING PROFIT</b>	<b>3</b>	<b>398,264</b>	<b>213,180</b>
Interest receivable		376	2,231
Interest payable and similar charges	<b>6</b>	<u>(2,444)</u>	<u>(806)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>396,196</b>	<b>214,605</b>
Tax on profit on ordinary activities	<b>7</b>	<u>(94,980)</u>	<u>(42,108)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b><u>301,216</u></b>	<b><u>172,497</u></b>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the  
year as set out above

**DNT COMPANY LIMITED****BALANCE SHEET****30TH NOVEMBER 2006**

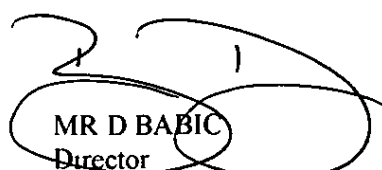
	Note	2006 £	2005 £
<b>FIXED ASSETS</b>			
Tangible assets	9	63,280	43 634
<b>CURRENT ASSETS</b>			
Stocks	10	553,620	646,896
Debtors	11	1,857,759	1,626,550
Cash at bank		177,513	21,869
		<u>2,588,892</u>	<u>2,295,315</u>
<b>CREDITORS: Amounts falling due within one year</b>	12	<u>(1,945,008)</u>	<u>(1,763,664)</u>
<b>NET CURRENT ASSETS</b>		<u>643,884</u>	<u>531,651</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>707,164</u>	<u>575,285</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	13	<u>(10,382)</u>	<u>(4,719)</u>
<b>NET ASSETS</b>		<u>696,782</u>	<u>570,566</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	18	2	2
Profit and loss account	19	<u>696,780</u>	<u>570,564</u>
<b>SHAREHOLDERS' FUNDS</b>	20	<u>696,782</u>	<u>570,566</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

These financial statements were approved by the directors and authorised for issue on 24th July 2007, and are signed on their behalf by

  
MR D BABIC  
Director

The notes on pages 6 to 14 form part of these financial statements

**DNT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH NOVEMBER 2006**

**1 ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

**Changes in accounting policies**

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards

-the presentation requirements of FRS 25 'Financial Instruments Disclosure and Presentation (IAS 32)'

FRS 25 'Financial Instruments Disclosure and Presentation (IAS 32)'

The company has complied with the disclosure requirements of FRS 25. The only resultant change in policy relates to distributions to holders of equity instruments. Equity dividends are therefore now debited directly to equity and not shown as a deduction on the Profit and Loss Account.

**Turnover**

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Motor Vehicles	- 25% pa reducing balance
Equipment	- 25% pa reducing balance

**Stocks**

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

**DNT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH NOVEMBER 2006**

**1. ACCOUNTING POLICIES** *(continued)*

**Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**Deferred taxation**

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in the financial statements.

Provision for deferred taxation is made at current corporation tax rates.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**Pension costs**

The cost of providing retirement pensions is charged to the profit and loss account as it is incurred.

**2. TURNOVER**

The turnover and profit before tax are attributable to the one principal activity of the company. 6% of turnover (2005 6%) arose outside the United Kingdom, to other EU Countries.

**DNT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH NOVEMBER 2006**

**3 OPERATING PROFIT**

Operating profit is stated after charging

	2006	2005
	£	£
Depreciation of owned fixed assets	6,553	7,325
Depreciation of assets held under hire purchase agreements	14,540	7,220
Loss on disposal of fixed assets	1,768	6,148
Auditors' remuneration	<u>–</u>	<u>6,500</u>

**4. PARTICULARS OF EMPLOYEES**

The average number of staff employed by the company during the financial year amounted to

	2006	2005
	No	No
Number of administrative staff	1	1
Number of management staff	4	4
Number of other staff	<u>3</u>	<u>3</u>
	<u>8</u>	<u>8</u>

The aggregate payroll costs of the above were

	2006	2005
	£	£
Wages and salaries	161,774	163,872
Social security costs	16,990	18,807
Staff pension costs	(714)	1,262
Directors' pension costs	17,528	17,140
	<u>195,578</u>	<u>201,081</u>

**5. DIRECTORS' EMOLUMENTS**

The directors' aggregate emoluments in respect of qualifying services were

	2006	2005
	£	£
Emoluments receivable	103,565	90,428
Value of company pension contributions to money purchase schemes	17,528	17,140
	<u>121,093</u>	<u>107,568</u>

**DNT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH NOVEMBER 2006**

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	2006	2005
	£	£
Interest payable on bank borrowing	515	246
Finance charges	<u>1,929</u>	<u>560</u>
	<u>2,444</u>	<u>806</u>

**7. TAXATION ON ORDINARY ACTIVITIES****(a) Analysis of charge in the year**

	2006	2005
	£	£
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 22.86% (2005 - 19%)	94,840	43,107
Tax adjustment	<u>140</u>	<u>26</u>
Total current tax	94,980	43,133
Deferred tax		
Origination and reversal of timing differences	-	(1,025)
Tax on profit on ordinary activities	<u>94,980</u>	<u>42,108</u>

**DNT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH NOVEMBER 2006**

**7. TAXATION ON ORDINARY ACTIVITIES** *(continued)*

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 22.86% (2005 - 19%)

	2006 £	2005 £
Profit on ordinary activities before taxation	<u>396,196</u>	<u>214,605</u>
Profit/(loss) on ordinary activities by rate of tax	90,558	40,775
Expenses not deductible for tax purposes	2,189	1,710
Capital allowances in excess of depreciation	<u>2,093</u>	<u>622</u>
Total current tax (note 7(a))	<u>94,840</u>	<u>43,107</u>

**8. DIVIDENDS**

**Equity dividends**

	2006 £	2005 £
Paid		
Equity dividends on ordinary shares paid in the year	<u>175,000</u>	<u>142,500</u>

**DNT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH NOVEMBER 2006**

**9. TANGIBLE FIXED ASSETS**

	Motor Vehicles £	Equipment £	Total £
<b>COST</b>			
At 1st December 2005	48,690	25,407	74,097
Additions	36,500	6,007	42,507
Disposals	—	(4,155)	(4,155)
<b>At 30th November 2006</b>	<u>85,190</u>	<u>27,259</u>	<u>112,449</u>
<b>DEPRECIATION</b>			
At 1st December 2005	18,673	11,790	30,463
Charge for the year	16,629	4,464	21,093
On disposals	—	(2,387)	(2,387)
<b>At 30th November 2006</b>	<u>35,302</u>	<u>13,867</u>	<u>49,169</u>
<b>NET BOOK VALUE</b>			
<b>At 30th November 2006</b>	<u>49,888</u>	<u>13,392</u>	<u>63,280</u>
At 30th November 2005	<u>30,017</u>	<u>13,617</u>	<u>43,634</u>

**Hire purchase agreements**

Included within the net book value of £63,280 is £43,620 (2005 - £21,660) relating to assets held under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £14,540 (2005 - £7,220).

**Capital commitments**

	2006 £	2005 £
Contracted but not provided for in the financial statements	<u>—</u>	<u>—</u>

**10. STOCKS**

	2006 £	2005 £
Finished goods	<u>553,620</u>	<u>646,896</u>

**DNT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH NOVEMBER 2006**

**11. DEBTORS**

	2006 £	2005 £
Trade debtors	1,689,101	1,526,713
Other debtors	89,428	19,330
Directors' current accounts	75,671	76,643
Prepayments and accrued income	3,559	3,864
	<u>1,857,759</u>	<u>1,626,550</u>

Included within debtors is the following	2006 £	2005 £	Maximum outstanding during 2006 £
Directors	£	£	£
Mr D Babic	28,331	17,649	28,331
Mr A S Feek	18,833	25,524	25,524
Mrs R E Babic	1,800	4,430	4,920
Mrs F Feek	26,707	29,040	29,107
	-----	-----	-----
	<u>75,671</u>	<u>76,643</u>	<u>87,882</u>

The above amounts totalling £75,671 were cleared by a dividend on 24<sup>th</sup> July, 2007

**12. CREDITORS: Amounts falling due within one year**

	2006 £	2005 £
Amounts owed to debt factors	32	379,403
Bank loans and overdrafts	7,214	2,826
Trade creditors	1,616,201	1,231,167
Other creditors including taxation and social security		
S419 tax payable	-	107
Corporation tax	94,840	43,107
Other taxation and social security	199,999	78,626
Hire purchase agreements	14,117	5,603
Other creditors	-	11,105
	<u>1,932,403</u>	<u>1,751,944</u>
Accruals and deferred income	12,605	11,720
	<u>1,945,008</u>	<u>1,763,664</u>

**13 CREDITORS: Amounts falling due after more than one year**

	2006 £	2005 £
Other creditors		
Hire purchase agreements	<u>10,382</u>	<u>4 719</u>

**DNT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH NOVEMBER 2006**

**14. COMMITMENTS UNDER HIRE PURCHASE AGREEMENTS**

Future commitments under hire purchase agreements are as follows

	2006 £	2005 £
Amounts payable within 1 year	16,081	6,145
Amounts payable between 2 to 5 years	11,895	5,171
	<u>27,976</u>	<u>11,316</u>
Less interest and finance charges relating to future periods	(3,477)	(994)
	<u>24,499</u>	<u>10,322</u>
Hire purchase agreements are analysed as follows		
Current obligations	14,117	5,603
Non-current obligations	10,382	4,719
	<u>24,499</u>	<u>10,322</u>

**15 COMMITMENTS UNDER OPERATING LEASES**

At 30th November 2006 the company had annual commitments under non-cancellable operating leases as set out below

	Land & Buildings 2006 £	2005 £
Operating leases which expire Within 2 to 5 years	<u>11,550</u>	<u>11,550</u>

**16. CONTINGENCIES**

There were no contingent liabilities known to or anticipated by the directors at 30th November 2006 (2005 NIL) There were no legal actions in progress against the company or pending

**17 RELATED PARTY TRANSACTIONS**

The company was under the control of the directors, Mr D Babic, Mr A S Feek, Mrs R E Babic and Mrs F Feek throughout the current and previous year Mr D Babic and Mr A S Feek own the entire issued share capital

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8

**DNT COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30TH NOVEMBER 2006**

**18 SHARE CAPITAL****Authorised share capital:**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

**Allotted, called up and fully paid:**

	<b>2006</b>		<b>2005</b>
	<b>No</b>	<b>£</b>	<b>No</b>
			<b>£</b>
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>

**19. PROFIT AND LOSS ACCOUNT**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Balance brought forward	570,564	540,567
Profit for the financial year	301,216	172,497
Equity dividends paid (FRS 25)	(175,000)	(142,500)
Balance carried forward	<u>696,780</u>	<u>570,564</u>

**20 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>2006</b>	<b>2005</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	301,216	172,497
Equity dividends paid (FRS 25)	(175,000)	(142,500)
Net addition to shareholders' funds	<u>126,216</u>	<u>29,997</u>
Opening shareholders' funds	570,566	540,569
Closing shareholders' funds	<u>696,782</u>	<u>570,566</u>

**21. CASHFLOW STATEMENT**

The company has relied on the exemptions conferred by Financial Reporting Standard 1 and not prepared a cashflow statement