

Company Registration No. 04877041 (England and Wales)

METALS UK GROUP LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2004



ACCOUNTS
Q. C. APPROVED

METALS UK GROUP LIMITED

COMPANY INFORMATION

Directors	I P Griffiths	(Appointed 26 August 2003)
	R Pattenden	(Appointed 26 August 2003)

Secretary	I P Griffiths
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Company number	04877041
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Registered office	Unit 2 Cranfield Road Lostock Industrial Estate Bolton Lancashire BL6 4QL
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Auditors	Cowgill Holloway Regency House 45 - 51 Chorley New Road Bolton BL1 4QR
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METALS UK GROUP LIMITED

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METALS UK GROUP LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2004

The directors present their report and financial statements for the period ended 31 March 2004.

Principal activities and review of the business

The principal activity of the company was that of a holding company.

Results and dividends

The results for the period are set out on page 3.

Directors

The following directors have held office since 26 August 2003:

I P Griffiths	(Appointed 26 August 2003)
R Pattenden	(Appointed 26 August 2003)

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary of £ 1 each	
	31 March 2004	26 August 2003
I P Griffiths	1	-
R Pattenden	-	-

Auditors

Cowgill Holloway were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

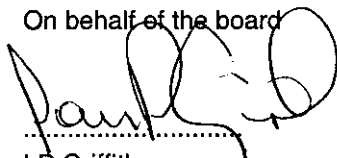
Directors' responsibilities

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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

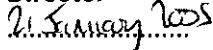
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



I P Griffiths

Director



DRAFT

METALS UK GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF METALS UK GROUP LIMITED

We have audited the financial statements of Metals UK Group Limited on pages 3 to 7 for the period ended 31 March 2004. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditor's 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 the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 31 March 2004 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Cowgill Holloway

Cowgill Holloway

Chartered Accountants

Registered Auditor

21 January 2005

Regency House
45 - 51 Chorley New Road
Bolton
BL1 4QR

METALS UK GROUP LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 MARCH 2004

	Notes	Period ended 31 March 2004 £
Operating loss		-
Interest payable and similar charges	2	(127)
Loss on ordinary activities before taxation		(127)
Tax on loss on ordinary activities	3	-
Loss on ordinary activities after taxation	7	(127)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

METALS UK GROUP LIMITED

BALANCE SHEET AS AT 31 MARCH 2004

	Notes	2004 £	£
Fixed assets			
Investments	4		613,826
Current assets			
Creditors: amounts falling due within one year	5	(613,952)	
Net current liabilities			(613,952)
Total assets less current liabilities			(126)
Capital and reserves			
Called up share capital	6		1
Profit and loss account	7		(127)
Shareholders' funds - equity interests	8		(126)

The financial statements were approved by the Board on 29 January 2005


I P Griffiths
Director

METALS UK GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2004

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.3 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

2 Interest payable 2004 £

Other interest	127
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3 Taxation

Current tax charge	-
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Factors affecting the tax charge for the period

Loss on ordinary activities before taxation	(127)
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Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 0.00% (2003: 0.00%)

Effects of:	-
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Current tax charge	-
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METALS UK GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2004

4 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 26 August 2003	-
Additions	613,826
	<hr/>
At 31 March 2004	613,826
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Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
LOKS Plasma Services Limited	UK	Ordinary	100
E Harding and Sons Limited	UK	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2004 £	Profit for the year 2004 £
LOKS Plasma Services Limited	83,146	83,145
E Harding and Sons Limited	716,392	(85,074)
	<hr/>	<hr/>

5 Creditors: amounts falling due within one year

	2004 £
Amounts owed to subsidiary undertakings	335,128
Directors' current accounts	50,000
Other creditors	212,600
Accruals and deferred income	16,224
	<hr/>
	613,952
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METALS UK GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2004

6	Share capital	2004
		£
	Authorised	
	1,000 Ordinary of £1 each	1,000
	Allotted, called up and fully paid	
	1 Ordinary of £1 each	1
7	Statement of movements on profit and loss account	Profit and loss account £
	Retained loss for the period	(127)
8	Reconciliation of movements in shareholders' funds	2004 £
	Loss for the financial period	(127)
	Proceeds from issue of shares	1
	Net depletion in shareholders' funds	(126)
	Opening shareholders' funds	-
	Closing shareholders' funds	(126)
9	Employees	
	Number of employees	
	There were no employees during the period apart from the directors.	
10	Related party transactions	
	Included within creditors is a loan of £335,128 from E Harding & Sons Limited.	
	There is also a loan of £20,100 from Metals UK Limited, a company which is also controlled by I P Griffiths through his directorship and shareholding.	