

**A K STEEL LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 NOVEMBER 2003**



**Company Registration No. 932617**  
**(England and Wales)**

# **A K STEEL LIMITED**

## **COMPANY INFORMATION**

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### **Directors**

B D H Cooper  
T Ender  
H Schneider

### **Secretary**

B D H Cooper

### **Company number**

932617

### **Registered office**

Hamlyns, Lewes Road  
Scaynes Hill, Haywards Heath  
West Sussex  
RH17 7NG

### **Auditors**

The Old Meeting House  
Meeting House Lane  
Baldock, Herts  
SG7 5BP

### **Bankers**

HSBC Bank Plc  
Station Place  
Letchworth Garden City  
Herts  
SG6 3AJ

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# A K STEEL LIMITED

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# A K STEEL LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 NOVEMBER 2003

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The directors present their report and financial statements for the year ended 30 November 2003.

### Principal activities and review of the business

The principal activity of the company continued to be that of the importation and sale of speciality steel products from associated companies and licensed producers.

### Results and dividends

The results for the year are set out on page 4.

### Directors

The following directors have held office since 1 December 2002:

B D H Cooper  
T Ender  
H Schneider

### Directors' interests

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

|              | Ordinary shares of £ 1 each |                 |
|--------------|-----------------------------|-----------------|
|              | 30 November 2003            | 1 December 2002 |
| B D H Cooper | -                           | -               |
| T Ender      | -                           | -               |
| H Schneider  | -                           | -               |

The interests of the directors in the shares of the ultimate holding company are not reported, since the disclosure is exempt under the Companies (Disclosure of Directors' Interests)(Exceptions) Regulations 1985.

### Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that WKH be reappointed as auditors of the company will be put to the Annual General Meeting.

# **A K STEEL LIMITED**

## **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2003**

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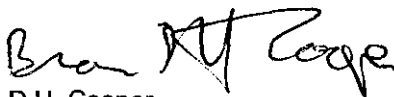
### **Directors' responsibilities**

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



B D H Cooper

**Director**

22 June 2004

# **A K STEEL LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF A K STEEL LIMITED**

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We have audited the financial statements of A K Steel Limited on pages 4 to 14 for the year ended 30 November 2003. 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 2 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 30 November 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

WKH

WKH

**Chartered Accountants  
Registered Auditor**

30 June 2004

The Old Meeting House  
Meeting House Lane  
Baldock, Herts  
SG7 5BP

# A K STEEL LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 NOVEMBER 2003

|  | Notes | 2003<br>£       | 2002<br>£       |
|--|-------|-----------------|-----------------|
| Turnover   | 2     | 7,487,829       | 6,977,596       |
| Cost of sales  |       | (7,047,887)     | (6,432,702)     |
| <b>Gross profit</b>                                  |       | <b>439,942</b>  | <b>544,894</b>  |
| Administrative expenses                              |       | (330,783)       | (297,367)       |
| Other operating income                               |       | 4,184           | 6,013           |
| <b>Operating profit</b>                              | 3     | <b>113,343</b>  | <b>253,540</b>  |
| Other interest receivable and similar income         |       | 359             | 3,798           |
| Interest payable and similar charges                 | 4     | (46,500)        | (59,563)        |
| <b>Profit on ordinary activities before taxation</b> |       | <b>67,202</b>   | <b>197,775</b>  |
| Tax on profit on ordinary activities                 | 5     | (21,503)        | (62,650)        |
| <b>Profit on ordinary activities after taxation</b>  |       | <b>45,699</b>   | <b>135,125</b>  |
| Dividends  | 6     | (127,205)       | (147,083)       |
| <b>Retained loss for the year</b>                    | 13    | <b>(81,506)</b> | <b>(11,958)</b> |

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.

# A K STEEL LIMITED

## BALANCE SHEET AS AT 30 NOVEMBER 2003

|   | Notes | 2003<br>£          | £              | 2002<br>£          | £              |
|---|-------|--------------------|----------------|--------------------|----------------|
| <b>Current assets</b>                                 |       |                    |                |                    |                |
| Stocks  | 8     | 584,295            |                | 885,047            |                |
| Debtors   | 9     | 2,323,124          |                | 2,322,251          |                |
| Cash at bank and in hand                              |       | 584,739            |                | 217,228            |                |
|   |       | <u>3,492,158</u>   |                | <u>3,424,526</u>   |                |
| <b>Creditors: amounts falling due within one year</b> | 10    | <u>(2,944,867)</u> |                | <u>(2,795,729)</u> |                |
| <b>Total assets less current liabilities</b>          |       |                    | <u>547,291</u> |                    | <u>628,797</u> |
| <b>Capital and reserves</b>                           |       |                    |                |                    |                |
| Called up share capital                               | 12    | 455,000            |                | 455,000            |                |
| Profit and loss account                               | 13    | 92,291             |                | 173,797            |                |
| <b>Shareholders' funds - equity interests</b>         | 14    |                    | <u>547,291</u> |                    | <u>628,797</u> |

The financial statements were approved by the Board on 22 June 2004

  
T Ender  
Director



# **A K STEEL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2003**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

#### **1.2 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### **1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

|                                |                   |
|--------------------------------|-------------------|
| Plant and machinery            | 33% straight line |
| Fixtures, fittings & equipment | 33% straight line |

#### **1.4 Stock**

Stock is valued at the lower of cost and net realisable value.

#### **1.5 Pensions**

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings. Any difference between the charge to the profit and loss account and the contributions paid to the scheme is shown as an asset or liability in the balance sheet.

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

#### **1.6 Deferred taxation**

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences that result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

#### **1.7 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

### **2 Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2003

|          |  |             |             |
|----------|--|-------------|-------------|
| <b>3</b> | <b>Operating profit</b>  | <b>2003</b> | <b>2002</b> |
|          |  | <b>£</b>    | <b>£</b>    |
|          | Operating profit is stated after charging:   |             |             |
|          | Auditors' remuneration   | 8,750       | 8,500       |
|          | and after crediting:   |             |             |
|          | Profit on foreign exchange transactions  | (22,683)    | (51,808)    |
|          |  | <u></u>     | <u></u>     |
| <b>4</b> | <b>Interest payable</b>  | <b>2003</b> | <b>2002</b> |
|          |  | <b>£</b>    | <b>£</b>    |
|          | On amounts payable to group companies  | 46,174      | 59,506      |
|          | Other interest   | 326         | 57          |
|          |  | <u></u>     | <u></u>     |
|          |  | 46,500      | 59,563      |
|          |  | <u></u>     | <u></u>     |
| <b>5</b> | <b>Taxation</b>  | <b>2003</b> | <b>2002</b> |
|          |  | <b>£</b>    | <b>£</b>    |
|          | <b>Domestic current year tax</b>   |             |             |
|          | U.K. corporation tax   | 21,503      | 63,881      |
|          | Adjustment for prior years   | -           | (1,231)     |
|          |  | <u></u>     | <u></u>     |
|          | <b>Current tax charge</b>  | 21,503      | 62,650      |
|          |  | <u></u>     | <u></u>     |
|          | <b>Factors affecting the tax charge for the year</b>   |             |             |
|          | Profit on ordinary activities before taxation  | 67,202      | 197,775     |
|          |  | <u></u>     | <u></u>     |
|          | Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2002: 30.00%) | 20,161      | 59,333      |
|          |  | <u></u>     | <u></u>     |
|          | Effects of:  |             |             |
|          | Non deductible expenses  | 1,685       | 1,329       |
|          | Capital allowances   | (116)       | (155)       |
|          | Adjustments to previous periods  | -           | (369)       |
|          | Other tax adjustments  | (227)       | 2,512       |
|          |  | <u></u>     | <u></u>     |
|          |  | 1,342       | 3,317       |
|          |  | <u></u>     | <u></u>     |
|          | <b>Current tax charge</b>  | 21,503      | 62,650      |
|          |  | <u></u>     | <u></u>     |

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2003

|   |  |                        |                                      |           |
|---|--|------------------------|--------------------------------------|-----------|
| 6 | Dividends                                |                        | 2003<br>£                            | 2002<br>£ |
|   | Ordinary interim paid                    |                        | 127,205                              | 147,083   |
| 7 | Tangible fixed assets                    |                        |                                      |           |
|   |  | Plant and<br>machinery | Fixtures,<br>fittings &<br>equipment | Total     |
|   |  | £                      | £                                    | £         |
|   | Cost                                     |                        |                                      |           |
|   | At 1 December 2002 & at 30 November 2003 | 2,830                  | 14,101                               | 16,931    |
|   | Depreciation                             |                        |                                      |           |
|   | At 1 December 2002 & at 30 November 2003 | 2,830                  | 14,101                               | 16,931    |
|   | Net book value                           |                        |                                      |           |
|   | At 30 November 2003                      | -                      | -                                    | -         |
| 8 | Stocks                                   |                        | 2003<br>£                            | 2002<br>£ |
|   | Finished goods and goods for resale      |                        | 584,295                              | 885,047   |
| 9 | Debtors                                  |                        | 2003<br>£                            | 2002<br>£ |
|   | Trade debtors                            |                        | 2,281,896                            | 2,278,252 |
|   | Amounts owed by subsidiary undertakings  |                        | 22,700                               | 17,770    |
|   | Other debtors                            |                        | (1,273)                              | 4,148     |
|   | Prepayments and accrued income           |                        | 19,801                               | 22,081    |
|   |  |                        | 2,323,124                            | 2,322,251 |

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2003

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| 10 Creditors: amounts falling due within one year         | 2003<br>£ | 2002<br>£ |
|---|-----------|-----------|
| Trade creditors   | 16,149    | 64,507    |
| Amounts owed to parent and fellow subsidiary undertakings | 2,831,379 | 2,614,912 |
| Corporation tax   | 30,944    | 64,469    |
| Other taxes and social security costs                     | 27,858    | -         |
| Accruals and deferred income                              | 38,537    | 51,841    |
|   | <hr/>     | <hr/>     |
|   | 2,944,867 | 2,795,729 |
|   | <hr/>     | <hr/>     |

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2003

### 11 Pension costs

#### Defined benefit

The company operates a defined benefit pension scheme under which all employees are eligible. The AK Steel & GST (UK) Pension Plan ("the Plan") is funded by contributions from the company.

A full actuarial valuation of the Plan was performed at 6 April 2002. This used the attained age method and assumed a financial yield up to retirement of 7.25% per annum net of expenses, a financial yield after retirement of 5.25% per annum net, salary increases of 4.25% per annum, price inflation of 2.75% and limited price indexation of 2.75%. The market value of assets at the date of valuation was £1,509,000 which was 126% of the scheme's liabilities. The employer's contribution rate for future service has been agreed at 17.5% of pensionable pay, with employees' rate in addition of 5.00%.

The company has continued to account for pensions in accordance with SSAP 24. Financial Reporting Standard 17 ("FRS 17"), Retirement Benefits, was issued in November 2000 but it will not be mandatory for the company to comply with FRS 17 until the end of the financial year in 2005.

Phased transitional disclosures, however, are required from last year onwards and these, to the extent not covered above, are provided below.

The actuarial valuation carried out as at 6 April 2002 has been updated to 30 November 2003, in accordance with the advice of a qualified independent actuary.

|   | 2003<br>£ | 2002<br>£ |
|---|-----------|-----------|
| Contributions payable by the company for the period | 23,167    | 28,996    |

|   | 2003<br>% | 2002<br>% | 2001<br>% |
|---|-----------|-----------|-----------|
| <b>The main financial assumptions are as follows:</b> |           |           |           |
| Rate of increase in salaries                          | 4.75      | 4.35      | 4.25      |
| Rate of increase in pensions in payment               | 2.75      | 2.35      | 2.25      |
| Rate of increase in pensions in deferment             | 2.75      | 2.35      | 2.25      |
| Discount rate   | 5.75      | 5.60      | 5.50      |
| Inflation assumption                                  | 2.75      | 2.35      | 2.25      |

#### The long term expected rates of return are as follows:

|              |      |      |      |
|--------------|------|------|------|
| Equities     | 5.50 | 5.25 | 5.00 |
| Bonds        | 4.00 | 3.75 | 3.50 |
| Property     | 5.00 | 4.75 | 4.50 |
| Other assets | 3.50 | 3.25 | 3.00 |

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2003

### 11 Pension costs

(continued)

|   | 2003<br>£        | 2002<br>£        | 2001<br>£        |
|---|------------------|------------------|------------------|
| <b>The assets in the scheme are as follows:</b> |                  |                  |                  |
| (i) Legal and General managed fund units        |                  |                  |                  |
| Equity units                                    | 785,000          | 737,000          | 945,000          |
| Bond units                                      | 64,000           | 52,000           | 41,000           |
| Property units                                  | 19,000           | 28,000           | 25,000           |
| (ii) Insured pensions                           | 459,000          | 443,000          | 432,000          |
| (iii) Other assets                              | 14,000           | 15,000           | 26,000           |
|   | <u>1,341,000</u> | <u>1,275,000</u> | <u>1,469,000</u> |
| Present value of scheme liabilities             | 1,369,000        | 1,292,000        | 1,451,000        |
|   | <u>(28,000)</u>  | <u>(17,000)</u>  | <u>18,000</u>    |
| Deficit/surplus in scheme                       |                  |                  |                  |
| Net pension liability/asset                     | <u>(28,000)</u>  | <u>(17,000)</u>  | <u>18,000</u>    |

#### Analysis of the amount charged to operating profit

|                        | 2003<br>£     | 2002<br>£     |
|------------------------|---------------|---------------|
| Current service cost   | 27,000        | 25,000        |
| Past service cost      | -             | -             |
|                        | <u>27,000</u> | <u>25,000</u> |
| Total operating charge |               |               |

#### Analysis of net return on pension scheme

|  | 2003<br>£      | 2002<br>£      |
|--|----------------|----------------|
| Expected return on pension scheme assets | 43,000         | 49,000         |
| Interest on pension liabilities          | (50,000)       | (55,000)       |
|  | <u>(7,000)</u> | <u>(6,000)</u> |
| Net return                               |                |                |

#### Analysis of net amount which would be recognised in statement of total recognised gains and losses (STRGL)

|  | 2003<br>£      | 2002<br>£       |
|--|----------------|-----------------|
| Actual return less expected return on assets | (27,000)       | (206,000)       |
| Experience gains and losses on liabilities   | 93,000         | 192,000         |
| Changes in assumptions                       | (69,000)       | (16,000)        |
|  | <u>(3,000)</u> | <u>(30,000)</u> |
| Actuarial gain/(loss) recognised in STRGL    |                |                 |
| Adjustment due to surplus cap                | -              | -               |
|  | <u>(3,000)</u> | <u>(30,000)</u> |
| Net gain/(loss) recognised                   |                |                 |

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2003

### 11 Pension costs

(continued)

| Movement in surplus/deficit during the year              | 2003<br>£ | 2002<br>£ |
|--|-----------|-----------|
| (Deficit)/surplus in scheme at the beginning of the year | (17,000)  | 18,000    |
| Current service cost                                     | (27,000)  | (25,000)  |
| Contributions  | 26,000    | 26,000    |
| Past service costs                                       | -         | -         |
| Net return on assets/(interest costs)                    | (7,000)   | (6,000)   |
| Actuarial gain/(loss)                                    | (3,000)   | (30,000)  |
| Deficit in scheme at 30 November 2003                    | (28,000)  | (17,000)  |

### History of experience gains and losses

2003 2002

|  |          |           |
|--|----------|-----------|
| Difference between expected and actual return on scheme assets:<br>amount in £'s               | (27,000) | (206,000) |
| Difference between expected and actual return on scheme assets:<br>percentage of scheme assets | (3)%     | (25)%     |
| Experience gains and losses on scheme liabilities:<br>amount in £'s                            | 93,000   | 192,000   |
| percentage of scheme liabilities   | 10%      | 23%       |
| Total amount recognised in statement of total recognised gains and losses:<br>amount in £'s    | (3,000)  | (30,000)  |
| percentage of scheme liabilities   | 0%       | (4)%      |

Company contributions paid during the year amounted to £23,167.

### 12 Share capital

2003 2002  
£ £

#### Authorised

|                                    |         |         |
|------------------------------------|---------|---------|
| 500,000 Ordinary shares of £1 each | 500,000 | 500,000 |
|------------------------------------|---------|---------|

#### Allotted, called up and fully paid

|                                    |         |         |
|------------------------------------|---------|---------|
| 455,000 Ordinary shares of £1 each | 455,000 | 455,000 |
|------------------------------------|---------|---------|

# A K STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2003

### 13 Statement of movements on profit and loss account

|                             | Profit and<br>loss<br>account<br>£ |
|-----------------------------|------------------------------------|
| Balance at 1 December 2002  | 173,797                            |
| Retained loss for the year  | (81,506)                           |
| Balance at 30 November 2003 | <u>92,291</u>                      |

### 14 Reconciliation of movements in shareholders' funds

|                                      | 2003<br>£      | 2002<br>£      |
|--------------------------------------|----------------|----------------|
| Profit for the financial year        | 45,699         | 135,125        |
| Dividends                            | (127,205)      | (147,083)      |
| Net depletion in shareholders' funds | (81,506)       | (11,958)       |
| Opening shareholders' funds          | 628,797        | 640,755        |
| Closing shareholders' funds          | <u>547,291</u> | <u>628,797</u> |

### 15 Financial commitments

At 30 November 2003 the company had annual commitments under non-cancellable operating leases as follows:

|                            | Land and buildings |              | Other        |               |
|----------------------------|--------------------|--------------|--------------|---------------|
|                            | 2003<br>£          | 2002<br>£    | 2003<br>£    | 2002<br>£     |
| Expiry date:               |                    |              |              |               |
| Within one year            | -                  | -            | 7,887        | 1,400         |
| Between two and five years | 7,450              | 7,450        | 1,585        | 9,472         |
|                            | <u>7,450</u>       | <u>7,450</u> | <u>9,472</u> | <u>10,872</u> |

### 16 Directors' emoluments

|                                    | 2003<br>£     | 2002<br>£     |
|------------------------------------|---------------|---------------|
| Emoluments for qualifying services | <u>59,632</u> | <u>50,942</u> |

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 1 (2002- 1).



# AK STEEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 NOVEMBER 2003

### 17 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was:

|                       | 2003<br>Number | 2002<br>Number |
|-----------------------|----------------|----------------|
| Administration staff  | 5              | 5              |
| Employment costs      |                |                |
|                       | £              | £              |
| Wages and salaries    | 123,543        | 120,590        |
| Social security costs | 12,005         | 17,169         |
| Other pension costs   | 23,167         | 28,996         |
|                       | 158,715        | 166,755        |

### 18 Related party transactions

The company's ultimate parent undertaking is AK Steel Holding Corporation, a company incorporated in the United States of America. AK Steel Limited have taken advantage of the FRS 8 exemption to disclose inter-group transactions and balances as they are a 100% subsidiary. AK Steel Holding Corporation has included the company in its group accounts, copies of which are available from its principal office at 703 Curtis Street, Middletown, Ohio 45043 0001, United States of America.

The immediate holding company AK Steel (Europe) Limited and its accounts are available from its registered office at Hamlyns, Lewes Road, Scaynes Hill, Haywards Heath, West Sussex RH17 7NG.