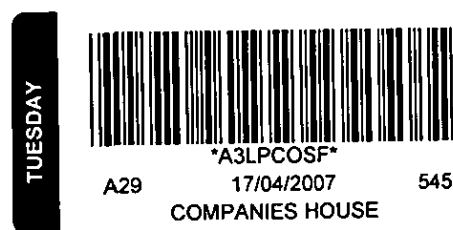


COMPANY REGISTRATION NUMBER 01701555

Central Steel Pickling Limited
Abbreviated Accounts
For the Year Ended
31 July 2006



HW
Chartered Accountants & Registered Auditors
Sterling House
71 Francis Road
Edgbaston
Birmingham
B16 8SP

Central Steel Pickling Limited

Independent Auditor's Report to the Company

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 6, together with the financial statements of the company for the year ended 31 July 2006 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Director and the Auditor

The director is responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

Basis of Opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 6 are properly prepared in accordance with those provisions.



HW
Chartered Accountants
& Registered Auditors

Sterling House
71 Francis Road
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Birmingham
B16 8SP

10 April 2007

Central Steel Pickling Limited

Abbreviated Balance Sheet

31 July 2006

| | Note | 2006 | | 2005 (restated) | |
|--|----------|------------------|------------------|--------------------|------------------|
| | | £ | £ | £ | £ |
| Fixed Assets | 2 | | | | |
| Tangible assets | | | 1,408,467 | | 1,457,719 |
| Current Assets | | | | | |
| Stocks | | 4,350 | | 4,350 | |
| Debtors | | 449,882 | | 322,056 | |
| Cash at bank and in hand | | 408,982 | | 488,664 | |
| | | <u>863,214</u> | | <u>815,070</u> | |
| Creditors: Amounts Falling due Within One Year | 3 | <u>1,100,768</u> | | <u>972,902</u> | |
| Net Current Liabilities | | | <u>(237,554)</u> | | <u>(157,832)</u> |
| Total Assets Less Current Liabilities | | | <u>1,170,913</u> | | <u>1,299,887</u> |
| Creditors: Amounts Falling due after More than One Year | 4 | | 6,563 | | 15,313 |
| Provisions for Liabilities and Charges | | | <u>27,194</u> | | <u>28,677</u> |
| | | | <u>1,137,156</u> | | <u>1,255,897</u> |
| Capital and Reserves | | | | | |
| Called-up equity share capital | 6 | | 10,000 | | 10,000 |
| Profit and loss account | | | <u>1,127,156</u> | | <u>1,245,897</u> |
| Shareholders' Funds | | | <u>1,137,156</u> | | <u>1,255,897</u> |

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved and signed by the director on 04/04/2007


P G Anderson
Director

The notes on pages 3 to 6 form part of these abbreviated accounts.

Central Steel Pickling Limited

Notes to the Abbreviated Accounts

Year Ended 31 July 2006

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

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

Changes in Accounting Policies

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

-Financial Reporting Standard for Smaller Entities (effective January 2005)

The adoption of FRSSE 2005 has resulted in a change in the accounting treatment of proposed equity dividends. In accordance with the requirements of FRS21, if the company declares dividends to the holders of equity instruments after the balance sheet date, the company does not recognise those dividends as a liability at the balance sheet date. The aggregate amount of equity dividends proposed before approval of the financial statements, which have not been shown as liabilities at the balance sheet date, are disclosed in the notes to the financial statements. Previously, proposed equity dividends were recorded as liabilities at the balance sheet date.

Cash Flow Statement

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

Turnover

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

Fixed Assets

All fixed assets are initially recorded at cost

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

| | |
|---------------------|------------------------|
| Freehold Properties | - 2% straight line |
| Plant & Machinery | - 10% reducing balance |
| Fixtures & Fittings | - 10% reducing balance |
| Motor Vehicles | - 20% 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

Central Steel Pickling Limited

Notes to the Abbreviated Accounts

Year Ended 31 July 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.

Pension Costs

The company operates a defined contribution pension scheme, which requires contributions to be made to a separately administered fund. Contributions to this fund are charged in the profit and loss account so as to spread the cost of pensions over the employees' working lives within the company. The regular cost is attributed to individual years using the projected unit credit method. Variations in pension cost, which are identified as a result of actuarial valuation, are amortised over the average expected remaining working lives of employees in proportion to their expected payroll costs. Differences between the amount funded and the amounts charged in the profit and loss account are treated as either provisions or prepayments in the balance sheet.

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

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.

Central Steel Pickling Limited

Notes to the Abbreviated Accounts

Year Ended 31 July 2006

2. Fixed Assets

| | Tangible Assets £ |
|------------------------|-------------------------|
| Cost | |
| At 1 August 2005 | 1,919,120 |
| Additions | 14,090 |
| Disposals | (3,770) |
| At 31 July 2006 | <u>1,929,440</u> |
| Depreciation | |
| At 1 August 2005 | 461,403 |
| Charge for year | 62,218 |
| On disposals | (2,648) |
| At 31 July 2006 | <u>520,973</u> |
| Net Book Value | |
| At 31 July 2006 | <u>1,408,467</u> |
| At 31 July 2005 | <u>1,457,717</u> |

3. Creditors: Amounts Falling due Within One Year

The following liabilities disclosed under creditors falling due within one year are secured by the company

| | 2006 | 2005 (restated) |
|-----------------------------------|--------------|--------------------|
| | £ | £ |
| Secured debt < 1 Yr Hire purchase | <u>8,750</u> | <u>8,750</u> |

4. Creditors: Amounts Falling due after More than One Year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

| | 2006 | 2005 (restated) |
|-----------------------------------|--------------|--------------------|
| | £ | £ |
| Secured debt > 1 Yr Hire purchase | <u>6,563</u> | <u>15,313</u> |

5. Transactions With the Director

P G Anderson, the director, is the controlling party by virtue of his shareholding in the ultimate parent company C S P Holdings Limited

At the end of the year the balance on P G Anderson's Loan Account was £726,863 (2005 £691,174) due from the company This is included in other creditors

During the year the company paid rent of £20,000 (2005 £20,000) to PGA Properties Limited, a company incorporated in the UK and controlled by P G Anderson At the year end the company owed PGA Properties Limited £35,340 (2005 £20,000) This amount is included within creditors

Central Steel Pickling Limited

Notes to the Abbreviated Accounts

Year Ended 31 July 2006

6. Share Capital

Authorised share capital

| | 2006 | 2005 (restated) |
|-----------------------------------|---------------|--------------------|
| | £ | £ |
| 10,000 Ordinary shares of £1 each | <u>10,000</u> | <u>10,000</u> |

Allotted, called up and fully paid:

| | 2006 No | £ | 2005 No | £ |
|----------------------------|---------------|---------------|---------------|---------------|
| Ordinary shares of £1 each | <u>10,000</u> | <u>10,000</u> | <u>10,000</u> | <u>10,000</u> |

7 Ultimate Parent Company

In the opinion of the director, the ultimate parent company is C S P Holdings Limited, a company incorporated in England and Wales