REGISTERED NUMBER: 044181 (Scotland)

DONALD SMITH AND SON (METALS) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2003

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COMPANIES HOUSE 28/11/03

DONALD SMITH AND SON (METALS) LIMITED

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for the year ended 31 January 2003

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DONALD SMITH AND SON (METALS) LIMITED

COMPANY INFORMATION
for the year ended 31 January 2003

DIRECTORS:	D Smith Mrs J D Marshall
SECRETARY:	Mrs J D Marshall
REGISTERED OFFICE:	84 Firhill Road Glasgow G20 7BA
REGISTERED NUMBER:	044181 (Scotland)
AUDITORS:	The Kelvin Partnership Chartered Accountants Registered Auditors 505 Great Western Road Glasgow G12 8HN
BANKERS:	Royal Bank of Scotland plc 280 Dumbarton Road Glasgow G11 6TD
SOLICITORS:	Brechin Tindal Oatts 48 St Vincent Street Glasgow G2 5HS

REPORT OF THE INDEPENDENT AUDITORS TO DONALD SMITH AND SON (METALS) LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages three to six, together with the full financial statements of the company for the year ended 31 January 2003 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors
The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to 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 financial statements and that the abbreviated financial statements 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 full financial statements.

Opinion
In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages three to six are properly prepared in accordance with those provisions.

The Kelvin Partnership
Chartered Accountants
Registered Auditors
505 Great Western Road
Glasgow
G12 8HN

27 November 2003

DONALD SMITH AND SON (METALS) LIMITED

ABBREVIATED BALANCE SHEET
31 January 2003

	Notes	2003		2002	
		£	£	£	£
FIXED ASSETS:					
Tangible assets	2		434		12,897
Investments	3		179,201		175,373
			179,635		188,270
CURRENT ASSETS:					
Debtors		1,041,287		945,126	
Investments		2,835		2,835	
Cash at bank and in hand		101,176		30,071	
		1,145,298		978,032	
CREDITORS: Amounts falling due within one year		827,760		654,453	
NET CURRENT ASSETS:			317,538		323,579
TOTAL ASSETS LESS CURRENT LIABILITIES:			£497,173		£511,849
CAPITAL AND RESERVES:					
Called up share capital	4		6		6
Profit and loss account			497,167		511,843
SHAREHOLDERS' FUNDS:			£497,173		£511,849

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



D Smith - Director

Approved by the Board on 27 November 2003

The notes form part of these financial statements

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 January 2003

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1
Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fittings and equipment	- 25% on reducing balance
Motor vehicle	- 25% on reducing balance

Investments
Investments are valued at the lower of cost and net realisable value.

Consolidation
The company and its subsidiaries comprise of a medium sized group and is not an ineligible group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 February 2002	53,749
Additions	290
Disposals	(53,129)
At 31 January 2003	910
DEPRECIATION:	
At 1 February 2002	40,852
Charge for year	145
Eliminated on disposals	(40,521)
At 31 January 2003	476
NET BOOK VALUE:	
At 31 January 2003	434
At 31 January 2002	12,897

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 January 2003

3. **FIXED ASSET INVESTMENTS**

	£
COST:	
At 1 February 2002 and 31 January 2003	213,615
PROVISIONS:	
At 1 February 2002	38,242
Provision during year	(3,828)
At 31 January 2003	34,414
NET BOOK VALUE:	
At 31 January 2003	179,201
At 31 January 2002	175,373

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

David Band (Metals) Limited
Nature of business: scrap metal merchants and processors

Class of shares:	% holding
Ordinary	100.00

	2003 £	2002 £
Aggregate capital and reserves	255,793	223,675
Profit for the year	32,118	20,482

H.W. Comery Limited
Nature of business: scrap metal merchants, processors and hauliers

Class of shares:	% holding
Ordinary	51.00

	2003 £	2002 £
Aggregate capital and reserves	487,932	452,400
Profit for the year	35,532	23,376

D.S. (Lauderdale Properties) Limited
Nature of business: property lessors and dealers

Class of shares:	% holding
Ordinary	100.00

	2003 £	2002 £
Aggregate capital and reserves	9,025	22,967
Loss for the year	(13,942)	(257,395)

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
for the year ended 31 January 2003

3. **FIXED ASSET INVESTMENTS - continued**

Osborne & Company (Glasgow) Limited
Nature of business: scrap metal brokers

Class of shares:	% holding
Ordinary	100.00

	2003 £	2002 £
Aggregate capital and reserves	4,151	9,642
Loss for the year	(5,491)	(90,779)

Donald Smith (Metal Holdings) Limited
Nature of business: scrap metal merchants and processors

Class of shares:	% holding
Ordinary	100.00

	2003 £	2002 £
Aggregate capital and reserves	99,491	90,171
Profit/(Loss) for the year	9,320	(18,168)

Alexander Thomson & Sons (Verdant) Limited
Nature of business: scrap metal merchants and processors,ceased 31.1.02

Class of shares:	% holding
Ordinary	

	2003 £	2002 £
Loss for the year	-	(11,319)

4. **CALLED UP SHARE CAPITAL**

Authorised:

Number:	Class:	Nominal value:	2003 £	2002 £
150,000	Ordinary	£1	150,000	150,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2003 £	2002 £
6	Ordinary	£1	6	6