
Corus Group Limited

Report & Accounts for the year ended 31 March 2015

Registered No: 03811373

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Directors and advisors

Directors

NK Misra
H Matheson

Secretary

SV Gidwani

Company Number

03811373

Registered office

30 Millbank
London
SW1P 4WY

Auditor

Deloitte LLP
Bristol

Strategic report for the year ended 31 March 2015

The directors present the strategic report of Corus Group Ltd (the 'Company') for the year ended 31 March 2015.

Principal activities

The Company is a wholly owned subsidiary of Tata Steel Netherlands Holdings BV ('TSNH'). Group accounts have not been prepared as the Company is a wholly owned subsidiary within the Tata Steel Europe Limited ('TSE') Group which has prepared consolidated accounts for the year to 31 March 2015. The company is exempt from the obligation to prepare and deliver group accounts under s400 of the Companies Act 2006.

The principal activity of the Company is that of an investment holding Company. Further details of the investments are shown in note 6 to the accounts.

There have been no significant changes to the principal activities in the year under review. The directors are not aware, at the date of this report of any likely changes in the Company's activities in the next year.

Business review

The company is managed as an integral part of the TSE Group. The business issues impacting TSE have been disclosed in the business review section of the strategic report in its annual report and accounts.

The Company's directors do not believe that key performance indicators (or discussion thereof) are appropriate for an understanding of the development, performance or position of the Company. The performance of Tata Steel Europe Limited ('TSE') which includes the Company, is discussed in its Annual Report & Accounts, which does not form part of this report.

Results and dividends

The loss for the year after taxation amounts to £1,721m (2014: loss of £28m) which includes a permanent diminution of £1,691m in the value of the Company's investment in Tata Steel UK Limited due to weaker market conditions mainly in the UK construction market, which is expected to remain weak over the near and medium term.

No dividends were paid or proposed in the year (2014: £nil).
The directors do not recommend that a final dividend be paid.

Employees

The Company had no employees in either the current or prior period, as shown in note 2 of the accounts.

Environment

The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the Company's activities. The Company operates in accordance with TSE Group policies. Activities designed to minimise the Company's impact on the environment include improving its energy use efficiency and reducing the production of waste (both hazardous and non-hazardous).

Principal risks and uncertainties

Going concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Investments in group undertakings

The company holds a number of investments in subsidiary companies. Although the Directors are satisfied that the recoverable amount of the investments is not less than their book value, there is a risk that in future periods the book value may become impaired.

Future developments and subsequent events

The Company has no significant future developments to report.

By order of the Board



NK Misra
Director
29 June 2015

Directors' report for the year ended 31 March 2015

The directors present their report and the audited financial statements for the year ended 31 March 2015.

Directors' indemnity

The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the Company in respect of liabilities they may incur in the discharge of their duties or in their exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted by them as officers or employees of the Company.

Directors

The directors of the company during the year and to the date of this report are listed on page 1.

Dividends

No dividends were paid or proposed in the year (2014: £nil). The directors do not recommend that a final dividend be paid.

Statement on disclosure of information to the Company's auditor

Each director in office at the date of this Directors' report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor are unaware; and
- the director has taken all the relevant steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Auditor

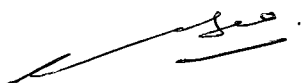
Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Information provided in the strategic report

In accordance with section 414(c) (11) of the UK Companies Act 2006 the directors have chosen to disclose the following information in the Company's strategic report:

- Factors likely to affect the Group's future development and position; and
- The Company's employees.
- Going concern disclosure

By order of the Board



NK Misra
Director
29 June 2015

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Independent auditor's report to the members of Corus Group Limited

We have audited the financial statements of Corus Group Limited for the year ended 31 March 2015 which comprise the Profit and loss account, the Balance sheet and accounting policies and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Andrew Wright

Andrew Wright (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Bristol, United Kingdom

29 June 2015

Profit and loss account for the year ended

For the financial year ended 31 March

	Note	2015 £m	2014 £m
Operating result	1	-	-
Restructuring and impairment costs	3	(1,691)	-
Loss on ordinary activities before finance charges		(1,691)	-
Interest payable and other similar charges	4	(30)	(29)
Loss on ordinary activities before taxation		(1,721)	(29)
Taxation credit	5	-	1
Loss on ordinary activities after taxation		(1,721)	(28)

The loss on ordinary activities before taxation in the current and prior year derives entirely from continuing activities.

The Company has no gains or losses other than as above and therefore no separate statement of total gains and losses has been presented.

All references to 2015 in the Financial Statements, presentation of accounts and accounting policies and the related Notes 1 to 13 refer to the financial year ended 31 March 2015 or as at 31st March 2015 as appropriate (2014: the financial year ended 31 March 2014 or as at 31 March 2014).

The notes and related statements forming part of these accounts appear on pages 8 to 12.

Balance sheet

As at 31 March

	Note	2015 £m	2014 £m
Fixed assets			
Investments in subsidiary and fellow group undertakings	6	1,351	3,042
		1,351	3,042
Current liabilities			
Creditors: amounts falling due within one year	8	(18)	(17)
Net current liabilities		(18)	(17)
Total assets less current liabilities		1,333	3,025
Creditors: amounts falling due after more than one year	9	(716)	(687)
Provisions for liabilities and charges	10	(4)	(4)
Net assets		613	2,334
Capital and reserves			
Called up share capital	11	1,750	1,750
Share premium account	12	454	454
Other reserves	12	133	133
Profit and loss account	12	(1,724)	(3)
Equity shareholders' funds		613	2,334

Approved by the Board and signed on its behalf by:



NK Misra
Director
Corus Group Limited
Registered No: 3811373
29 June 2015

The notes and related statements forming part of these accounts appear on pages 8 to 12.

Presentation of accounts and accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom (UK GAAP). A summary of the key accounting policies is set out below. These have been applied consistently in the current and prior period.

I Basis of preparation

Corus Group Limited is a private limited company incorporated in the United Kingdom under the Companies Act 2006. The functional and presentational currency of the Company is sterling. The accounts have been prepared under the historical cost convention in accordance with the Companies Act 2006.

Group accounts have not been prepared as the Company is a wholly owned indirect subsidiary of TSE, which has prepared consolidated accounts for the year to 31 March 2015.

As set out in the Strategic report: Going Concern, the Board of directors has assessed the ability of the Company to continue as a going concern and these financial statements have been prepared on a going concern basis.

II Use of estimates

The preparation of accounts in line with generally accepted accounting principles requires management to make estimates and assumptions that affect the:

- (i) reported amounts of assets and liabilities;
- (ii) disclosure of contingent assets and liabilities at the date of the accounts; and
- (iii) reported amounts of income and expenses during the reporting period.

Actual results could differ from those estimates.

III Financing items

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest charges are expensed as incurred.

IV Taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Liabilities are not recognised for taxable temporary differences arising on investments in subsidiaries, joint ventures and associates where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The Company has chosen not to discount deferred tax assets and liabilities.

Both current and deferred tax items are calculated using the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. This means using tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also recognised within equity.

V Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the quoted rates of exchange ruling at each balance sheet date. Profit and loss account items and cash flows in foreign currencies are translated into sterling at the average rates for the financial period.

VI Financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. The detailed accounting treatment for such items can differ, as described in the following sections. The Company does not comply with the disclosure requirements of FRS 29 'Financial Instruments: Disclosures' on the basis that the Company is a greater than 90% owned subsidiary of Tata Steel Europe Limited which produces consolidated financial statements that include the Company.

(a) Investments

Investments are initially measured at cost, which includes transaction expenses. In addition they are classified as either held for trading or available for sale, and are subsequently measured at fair value. Where securities are held for trading purposes, gains and losses arising from changes in fair value are included in profit and loss for the period. For available for sale investments, gains and losses arising from changes in fair value are recognised directly in equity, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in profit and loss for the period. This principle is applied to all investments except for the investment in Tata Steel UK Limited (formerly Corus UK Limited) which is recorded as the aggregate of the nominal value of shares issued to acquire the investment and fair value of other consideration given.

Presentation of accounts and accounting policies (continued)

(b) Financial liabilities

Financial liabilities are classified according to the substance of the individual contractual arrangements.

(c) Bank borrowings

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. These borrowings are subsequently stated at amortised cost.

(d) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

VII Fixed asset investments

Fixed asset investments are stated at cost. Provisions are made if events or circumstances indicate that the carrying amount may not be recoverable. Income from fixed asset investments comprises dividends declared up to the balance sheet date and, where relevant, is shown before deduction of overseas withholding taxes.

VIII Cash flow statement

The cash flows of the Company are included in the consolidated cash flow statement of TSE. Consequently the Company is exempt under the terms of Financial Reporting Standard No.1 (Revised) from publishing a cash flow statement.

IX Related party transactions

The Company has taken advantage of the exemptions available to it under FRS 8 'Related Party Disclosures' paragraphs 3(a) and (c) to not disclose related party transactions with other TSE group undertakings.

Notes to the financial statements

1. Operating costs

The auditor's remuneration for the audit of the Company's accounts was £2,000 (2014: £2,000). The auditor's remuneration was borne by the Company's wholly owned subsidiary company Tata Steel UK Limited ('TSUK'), in both the current and prior year. There were no non audit fees in the current or prior year.

2. Employees and directors' emoluments

The Company has no employees other than the directors (2014: nil). No Director received any remuneration during the year in respect of their services to the Company (2014: nil).

3. Net restructuring and impairment costs

	2015 £m	2014 £m
Impairment of fixed asset investments	1,691	-
	1,691	-

4. Interest payable and similar charges

	2015 £m	2014 £m
Interest payable on loans from parent undertakings	24	23
Interest payable on loans from subsidiary undertaking	6	6
	30	29

5. Taxation

	2015 £m	2014 £m
Current Tax		
Overseas prior year tax credit	-	(1)
Current tax credit	-	(1)

The current tax charge reconciles with the standard rate of corporation tax as follows:

	2015 £m	2014 £m
Loss on ordinary activities before tax	(1,721)	(29)
Tax at the standard UK rate of 21% (2014: 23%)	(361)	(7)
Tax losses not recognised	-	6
Non deductible impairment on fixed asset investments	355	-
Group relief surrendered free of charge	6	-
Total current tax credit	-	(1)

Notes to the financial statements (continued)

6. Fixed asset investments

	Shares in subsidiary undertakings £m
Cost at 31 March 2015 and 1 April 2014	3,380
Accumulated impairment losses at 1 April 2014	(338)
Impairment losses recognised during the period	(1,691)
	(2,029)
Net book value at 31 March 2015	1,351
Net book value at 31 March 2014	3,042

The Company owns 100% of the share capital in the following companies:

	Company type	Country of incorporation
Tata Steel UK Limited	Trading	England
Precoat International Limited	Holding	England
Corus International (Overseas Holdings) Limited (CIOH)	Holding	England

The carrying values of the Company's investments are tested annually for impairment. The outcome of the test at 31 March 2015 resulted in a permanent diminution of £1,691m in the value of the Company's investment in Tata Steel UK Limited due to weaker market conditions in mainly the UK construction market, which is expected to remain weak over the near and medium term.

In 2008, Tata Steel UK Holdings Limited (TSUKH) borrowed the ordinary share capital in CIOH from Corus International Limited (CI) by means of a stock lending transaction. The terms of the stock loan are such that TSUKH is required to return the shares to CI, on demand. TSUKH sold these shares to the Company for £437m and holds an option over the Company to repurchase these shares.

7. Debtors: amounts falling due after more than one year

	2015 £m	2014 £m
Deferred tax assets	-	-

The deferred tax assets are made up as follows:

	2015 £m	2014 £m
Other timing differences	-	(1)
Tax losses	-	1
	-	-

Deferred tax assets have not been recognised in respect of total tax losses of £115m (2014: £112m)

8. Creditors: amounts falling due within one year

	2015 £m	2014 £m
Amounts due to parent undertakings	9	9
Amounts due to subsidiary undertakings	3	3
Amounts due to group undertakings	6	5
	18	17

Notes to the financial statements (continued)

9. Creditors: amounts falling due after more than one year

	2015 £m	2014 £m
Amounts due to parent undertaking	552	529
Amounts due to subsidiary undertaking	164	158
	716	687

The amounts due to parent and subsidiary undertakings incur interest charged at LIBOR +3.50%. No date has been fixed for repayment. It is not expected that the loans will be repaid during the next financial period.

10. Provisions for liabilities and charges

	2015 £m	2014 £m
At beginning of year	4	5
Utilisation in year	-	(1)
At end of year	4	4

The provisions relate to environmental provisions in respect of previously disposed of operations for which the timing of any potential expenditure is uncertain.

11. Share capital

	2015 £m	2014 £m
Allotted, called up and fully paid		
3,499,265,478 ordinary shares of 50p each	1,750	1,750

12. Reconciliation of movements in reserves

	Share capital £m	Share premium account £m	Other reserves £m	Profit and loss reserves £m	Total £m
At beginning of year	1,750	454	133	(3)	2,334
Loss retained	-	-	-	(1,721)	(1,721)
At end of year	1,750	454	133	(1,724)	613

13. Ultimate and immediate parent company

TSNH, a Company registered in the Netherlands, is the Company's immediate parent Company. TSE and TSUKH are intermediate holding companies, registered in England and Wales, with TSUKH the smallest group to consolidate these financial statements.

Copies of the Report & Accounts for TSUKH may be obtained from the Secretary, 30 Millbank, London, SW1P 4WY.

Tata Steel Limited (TSL), a Company incorporated in India, is the ultimate parent Company and controlling party and the largest group to consolidate these financial statements.

Copies of the Report & Accounts for TSL may be obtained from its registered office at Bombay House, 24 Homi Mody Street, Mumbai, 400 001.