

Company Registration No. 02727547

FIRSTEEL HOLDINGS LIMITED

ANNUAL REPORT

YEAR ENDED 31 MARCH 2017

Firststeel Holdings Limited

Annual Report for the year ended 31 March 2017

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Firststeel Holdings Limited

Company Information

Directors

British Steel Directors (Nominees) Limited
Ms S V Gidwani

Registered office

30 Millbank
London
SW1P 4WY

Company number

02727547

Firsteel Holdings Limited

Directors' report

The directors present their report and the unaudited financial statements for the year ended 31 March 2017.

Principal activity, review of the business and future developments

The Company is a wholly owned subsidiary of Tata Steel UK Limited ('TSUK') which is a wholly owned subsidiary within the Tata Steel Europe Limited ('TSE') Group. The principal activity of the Company is to act as the holding Company for certain investments of TSUK. Further details of the investments are shown in note 5 to the financial statements. The company is exempt from the obligation to prepare and deliver group financial statements under s400 of the Companies Act 2006.

The Company has been dormant as defined in section 1169 of the Companies Act 2006 throughout the year and the preceding financial year. It is anticipated that the Company will remain dormant for the foreseeable future.

The Company has chosen to present the financial statements in accordance with FRS 102 *'The Financial Reporting Standard Applicable in the UK and Republic of Ireland'*, which entitles the Company to adopt the exemption in paragraph 35.10 of FRS 102 allowing the Company to retain its previous accounting policies, (prepared under UK GAAP), until there is any change to balances or the company undertakes new transactions.

The annual financial statements have not been audited because the Company is entitled to the exemption provided by section 480 of the Companies Act 2006 relating to dormant companies and its members have not required the Company to obtain an audit of these financial statements in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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 TSE, which includes the Company, is discussed in its Annual Report which does not form part of this report.

Going Concern

Tata Steel Europe Limited ('TSE') and its subsidiaries are financed in part through the Senior Facilities Agreement and other long term loans introduced by the parent from time to time and in part through working capital support provided by Tata Steel Global Procurement Co. Pte Limited ('TSGP') a subsidiary of Tata Steel Limited ('TSL'), under arrangements which have been authorised, and are supported, by TSL. TSL has approved the continued provision of working capital support to TSE and its subsidiaries (including the Company) and the operations of TSE's material subsidiaries, including in the Netherlands and the UK, subject to certain restrictions which in respect of Tata Steel UK ('TSUK'), a wholly owned subsidiary of Tata Steel Europe and a parent of the Company, includes agreement on a Regulated Apportionment Arrangement ('RAA') of the British Steel Pension Scheme ('BSPS'). The trading performance of the TSE Group, including the UK and the Company, in FY 2016/17 has continued to require financial support from TSL. It is thought that this may well continue but at a much-reduced level during FY 2017/18, when the outlook is much improved.

Further very material evidence of continued TSL support is seen in the commitment of TSL affiliates to provide the required financing of c.£550m which will need to be paid by TSUK to achieve a Regulated Apportionment Arrangement ('RAA') of the British Steel Pension Scheme ('BSPS') obligations of TSUK and the other BSPS employer entities. The completion of the RAA with relation to the BSPS, which was the subject of the TSL announcement on 16 May 2017, constitutes a material event for TSUK, and in its absence it is expected that there would be a very large BSPS funding deficit which could cast significant doubt about TSUK's ability to continue as a going concern and to realise its assets and discharge its liabilities in the normal course of business. Until the conclusion of the process, there continues to be a material uncertainty as to whether the BSPS restructuring will be completed.

Firststeel Holdings Limited

Directors Report

For these reasons, while the Directors have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future, they have concluded that until the RAA process is concluded there exists a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. However, the Directors continue to adopt the going concern basis in preparing the financial statements. The financial statements do not include the adjustments that would result if the Company was not a going concern as it is not practicable to identify or quantify them.

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.

Principal risks and uncertainties

Group risks are discussed in the TSE Annual Report, which does not form part of this report.

Dividends

No dividend was paid during the year and the Directors do not recommend the payment of a final dividend (2016: £nil).

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).

Employees

The Company has no employees, as shown in Note 3 of this report on page 6.

Directors

The directors of the Company are listed on page 2.

By order of the Board



Ms S V Gidwani
Director

.... July 2017
30 Millbank
London
SW1P 4 WY

Firststeel Holdings Limited

Balance sheet as at 31 March 2017

	Notes	31 Mar 2017	31 Mar 2016
		£'000	£'000
Current assets			
Debtors: Amounts falling due within one year	4	17,329	17,329
		<hr/>	<hr/>
		17,329	17,329
Creditors: Amount owed to group companies	5	(9,590)	(9,590)
		<hr/>	<hr/>
Net assets		7,739	7,739
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	7	7	7
Share premium account		3,382	3,382
Capital redemption reserve		4,174	4,174
Profit and loss account		176	176
Total equity shareholders' funds		<hr/> 7,739 <hr/>	<hr/> 7,739 <hr/>

Firststeel Holdings Limited did not trade during the current or preceding period and has made neither profit nor loss, nor any other recognised gain or loss.

- (a) For the year ended 31 March 2017 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies
- (b) Members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- (c) The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements on pages 4 to 6 were approved and authorised for issue by the Board of Directors on July 2017



Ms S V Gidwani
Director

The notes on pages 6 and 7 form part of these financial statements.

Firststeel Holdings Limited

Notes to the financial statements

1. Accounting policy

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards.

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council. FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland', ('FRS 102') as issued by the Financial Reporting Council becomes effective for accounting periods beginning on or after 1 January 2015. The Company underwent a transition from reporting under United Kingdom Accounting Standards (UK GAAP) to FRS 102 during the period ended 31 March 2016

As permitted by FRS 102 under paragraph 35.10, the Company has taken advantage of the exemption available under that standard in relation to the retention of the Company's previous accounting policies until there is any change to balances or the Company undertakes new transactions.

2. Profit and loss account

No profit and loss account is presented with these financial statements because the company has not received income, incurred expenditure or recognised any gains or losses during either the year under review or the preceding financial year. All costs associated with the company were borne by a fellow group company, Tata Steel UK Limited. There have been no movements in shareholders' funds during the year under review or the preceding financial year.

3. Directors' emoluments and employees

The Company had no employees during the current and preceding year.

No director received any remuneration in respect of their services to the Company during the current and preceding financial year.

4. Debtors: Amounts falling due within one year

The amounts owed by subsidiary companies are free of interest and no date has been fixed for the discharge of the debt.

5. Amount owed to group companies

The amount due to group companies is free of interest and no date has been fixed for the discharge of the debt.

6. Interests in subsidiary companies:

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

Name of undertaking	Country of incorporation registration	Description of shares held	Proportion of shares held
Firststeel Group Limited	England	Ordinary £1 shares	100%

During the year the Company's wholly owned subsidiary, Mistbury Investments Limited, was dissolved.

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Notes to the financial statements

7. Share Capital

As on 31 Mar 2017 and 31 Mar 2016

	Authorised £'000	Allotted called up and fully paid £'000
700,000 Ordinary shares of 1p each	7	7
750,000 Cumulative redeemable C preference shares of 50p each	375	-
8,349,000 Unclassified shares of 50p each	4,174	-
	<u>4,556</u>	<u>7</u>

8. Ultimate holding company

Tata Steel UK Limited is the Company's immediate parent company, which is registered in England and Wales. Tata Steel Europe Limited and Tata Steel UK Holdings Limited are intermediate holding companies, registered in England and Wales, with Tata Steel UK Holdings Limited the smallest group to consolidate these financial statements.

Copies of the Annual Report for Tata Steel UK Holdings Limited may be obtained from the Company Secretary, 30 Millbank, London, SW1P 4WY.

Tata Steel Limited, 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 Annual Report for Tata Steel Limited may be obtained from its registered office at Bombay House, 24 Homi Mody Street, Mumbai, 400 001.