

CORUS MANAGEMENT LIMITED
ANNUAL REPORT
FOR THE FINANCIAL YEAR
ENDING 31 MARCH 2017

Registered No. 02755785

Corus Management Limited
Annual report
For the year ended 31 March 2017

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Corus Management Limited

Company information

Directors

British Steel Directors (Nominees) Limited
SV Gidwani

Company secretary

L Rupani

Company number

02755785

Registered office

30 Millbank
London
SW1P 4WY

Corus Management Limited

Strategic report for the year ended 31 March 2017

The directors present the strategic report of Corus Management Ltd (the Company) for the year ended 31 March 2017.

Principal activities

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 during the year was that of an investment holding company. 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 preceding financial year.

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.

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.

Employees

The Company has no employees, as shown in Note 3 of this report on page 8.

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 our energy use efficiency and reducing the production of waste (both hazardous and non-hazardous).

Corus Management Limited

Strategic report for the year ended 31 March 2017

Principal risks and uncertainties

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.

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.

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 are not less than their book value, there is a remote risk that in future years 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



SV Gidwani
Director

20/7/... 2017

Corus Management Limited

Directors' report for the year ended 31 March 2017

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

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 as at 31 March 2017 and who held office during the year are listed on page 2.

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



SV Gidwani
Director

20/7/2017

30 Millbank
London
SW1P 4WY

Corus Management Limited

Balance sheet

As at 31 March

	Notes	2017 £	2016 £
Fixed assets			
Investments	4	201,928,348	201,928,348
Current assets			
Debtors: amounts falling due within one year	5	43,889,096	43,889,096
Current liabilities			
Creditors: amounts falling due within one year	6	<u>(243,247,588)</u>	<u>(243,247,588)</u>
Net current liabilities		<u>(199,358,492)</u>	<u>(199,358,492)</u>
Total assets less current liabilities		<u>2,569,856</u>	<u>2,569,856</u>
Provisions for liabilities and charges			
Provisions for loss of group company	7	<u>(47,912,680)</u>	<u>(47,912,680)</u>
Net liabilities		<u>(45,342,824)</u>	<u>(45,342,824)</u>
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account		<u>(45,342,826)</u>	<u>(45,342,826)</u>
Shareholders' funds		<u>(45,342,824)</u>	<u>(45,342,824)</u>

- (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) The members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.
- (c) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements on pages 6 to 10 were approved and authorised for issue by the Board of Directors on 2017 and were signed on its behalf by:-


 Director
 SV Gidwani

The notes on pages 7 to 10 form part of these financial statements.

Corus Management Limited

Notes to the financial statements

1. Principal accounting policies

The financial statements have been prepared in accordance with the Companies Act 2006 and applicable Accounting Standards in the UK.

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 became 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 year 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.

The key accounting policies, which have been applied consistently, are set out below:

(i) Basis of preparation

The financial statements are prepared in accordance with the historical cost convention. As set out in the Directors' report, the board of directors' have assessed the ability of the Group to continue as a going concern and these financial statements have been prepared on a going concern basis. Group financial statements have not been prepared as the Company is a wholly owned subsidiary within the TSE Group, which has prepared consolidated financial statements for the year to 31 March 2017.

(ii) Fixed asset investments

Investments are stated at cost. Provisions are made for any permanent diminution in the value of investments.

Income from fixed asset investments comprises dividends declared up to the balance sheet date and interest receivable, shown, where relevant, before deduction of withholding tax.

(iii) Cash flow statement

In accordance with the dormant company exemption allowed by FRS 102, a cash flow statement for the Company has not been provided.

(iv) Related party disclosures

In accordance with the dormant company exemption allowed by FRS 102, the Company is not required to disclose related party transactions with other TSE group undertakings.

Corus Management Limited

Notes to the financial statements

2. Operating costs

All costs associated with the Company were borne by TSUK.

3. Directors' emoluments and employees

The Company has no employees (2016: nil).

No director received any remuneration during the year in respect of their services to the Company (2016: £nil).

4. Investments

Shares in Group Companies	2017 £	2016 £
Cost		
At the beginning and end of year	490,255,792	490,255,792
Provisions		
At the beginning and end of year	(288,327,444)	(288,327,444)
Net Book Value	201,928,348	201,928,348

The Company holds investments (directly and indirectly) in the following dormant companies:

Country of incorporation: UK

Automotive Laser Technologies Limited (i) (ii) (iii)
 Bore Samson Group Limited (i) (ii) (iii)
 British Guide Rails Limited (ii) (iii) (vi)
 British Steel Corporation Limited (i) (ii) (iii)
 British Steel Directors (Nominees) Limited (i) (ii) (iii)
 B.S. Pension Fund Trustee Limited (i) (ii) (iii)
 British Steel Service Centres Limited (i) (ii) (iii)
 British Steel Trading Limited (i) (ii) (iii)
 C Walker & Sons Limited (i) (ii) (iii)
 Corus Engineering Steels Pension Scheme Trustee Limited (i) (ii) (iii)
 Corus Investments Limited (i) (ii) (iii)
 Corus Service Centre Limited (ii) (iii)
 Harrowmills Properties Limited (ii) (iii)
 London Works Steel Company Limited (i) (ii) (iii)
 Midland Steel Supplies Limited (i) (ii) (iii)
 Round Oak Steelworks Limited (i) (ii) (iii)
 Steelstock Limited (ii) (iii)
 Steel Stockholdings Limited (i) (ii) (iv) (v)
 The Stanton Housing Company Limited (i) (ii) (iii)
 Walkersteelstock Limited (ii) (iii)

Corus Management Limited

Notes to the financial statements

4. Investments (continued)

Walker Manufacturing and Investments Limited ^{(ii) (iii)}
Whitehead (Narrow Strip) Limited ^{(i) (ii) (iii)}

Country of incorporation: Ireland (republic of)

Gamble Simms Metals Limited ^{(ii) (iii)}
Walkersteelstock Ireland Limited ^{(ii) (iii)}
Lister Tubes Limited ^{(ii) (iii)}

Classification key:

- (i) Directly owned by the Company
- (ii) Indirectly owned by the Company
- (iii) Ordinary shares
- (iv) Ordinary A shares
- (v) Ordinary B shares

5. Debtors: amounts falling within one year

	2017	2016
	£	£
Amount owed by immediate parent company	<u>43,889,096</u>	<u>43,889,096</u>

The amount due from the immediate parent company is interest free and no date is fixed for repayment.

6. Creditors: amounts falling due within one year

	2017	2016
	£	£
Amounts owed to subsidiary companies	<u>243,247,588</u>	<u>243,247,588</u>

The amount due to subsidiary companies is interest free and no date is fixed for repayment.

7. Provision for losses of group company

The Company acquired the whole share capital of Round Oak Steel Works Limited from one of its subsidiaries for a nominal amount. The company is dormant but the financial statements of that company show an accumulated deficit of £47,912,680. Accordingly, in these financial statements the investment has been fully provided against and provision has been made for the accumulated deficit.

8. Share capital

	2017	2016
	£	£
Allotted, called up and fully paid		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

Corus Management Limited

Notes to the financial statements

9. Ultimate and immediate parent company

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

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