

**CORBY (NORTHANTS) AND DISTRICT
WATER COMPANY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 28 MARCH 2015**

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CORBY (NORTHANTS) AND DISTRICT WATER COMPANY

COMPANY DETAILS

Directors	:	BP Curran AR Pickford
Secretary	:	C Murrant
Registered Office	:	PO Box 101 Weldon Road CORBY Northants NN17 5UA
Registered in	:	England
Company Number	:	ZC000024
Auditor	:	Deloitte LLP Chartered Accountants and Statutory Auditor 1 City Square Leeds LS1 2AL

The company is a statutory Company, incorporated in the United Kingdom by the Corby (Northants) and District Water Act 1931.

CORBY (NORTHANTS) AND DISTRICT WATER COMPANY
DIRECTORS' REPORT
FOR THE 52 WEEKS ENDED 28 MARCH 2015

The directors present their report and audited financial statements for the 52 weeks ended 28 March 2015.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption and as such, the directors have taken the exemption on the requirement to produce a strategic report.

Business review and principal activities

Corby (Northants) and District Water Company ("the company") operates a reservoir and associated pumping equipment to supply industrial water to the works of Tata Steel UK Limited Corby, Northants. In addition, further revenue is obtained from stocking and maintaining the reservoir as a trout fishery.

The results for the company show a pre-tax result of £0 (2013/14: pre-tax profit of £30,694) for the period and sales of £389,965 (2013/14: £401,053).

The company has net shareholder's funds of £612,599 (2013/14: £611,368)

Future outlook

The directors are reasonably confident that the performance of the company's fishery operations will continue to improve

Dividends

The directors do not recommend the payment of a dividend (2013/14: £nil).

Financial risk management

The management of the business and the execution of the company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the company are considered to relate to Tata Steel UK Limited's demand for industrial water, and competition from other local fisheries.

The key business risks and uncertainties affecting Tata Steel UK Limited are discussed in the Tata Steel Europe Limited Annual Report and Accounts, which does not form part of this report and the company's directors do not believe that further and separate discussion of the key risks and uncertainties for the company (or discussion thereof) are necessary for an understanding of those facing the company.

Going concern

The directors have reviewed the financial condition of the company and of Tata Tubes, a division of Tata Steel UK Limited, the parent undertaking, including consideration of the uncertainties arising in both the company and Tata Tubes from the current difficult economic environment and the consequent impact of this upon trading cash flow and finances of both companies. Based upon the projected cash flow requirements of the company and the programme of actions currently being implemented at Tata Tubes, the directors have formed the view that the position of Tata Tubes who are providing support to the company is sufficiently strong. Consequently the directors are satisfied it is reasonable to prepare the accounts on a going concern basis.

Key performance indicators

The directors of Tata Steel UK Limited manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Corby (Northants) and District Water Company.

CORBY (NORTHANTS) AND DISTRICT WATER COMPANY
DIRECTORS' REPORT
FOR THE 52 WEEKS ENDED 28 MARCH 2015

Directors

The directors of the company who served during the period and subsequently are as follows:

Mr BP Curran

Mr AR Pickford

No director received any emoluments in respect of his services to the company.

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:

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 that 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.

CORBY (NORTHANTS) AND DISTRICT WATER COMPANY
DIRECTORS' REPORT
FOR THE 52 WEEKS ENDED 28 MARCH 2015

Disclosure of information to auditor

Each of the persons who are a director at the date of approval confirms that:

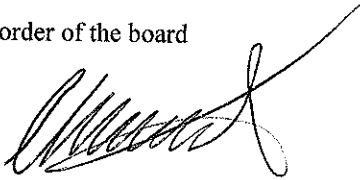
- So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- The directors have taken all the steps that ought to have been taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Appointment of auditor

A resolution to reappoint Deloitte LLP as auditor to the company will be proposed at the annual general meeting.

By order of the board



C Murrant
Company Secretary

6th July 2015

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CORBY (NORTHANTS) AND DISTRICT WATER COMPANY**

We have audited the financial statements of Corby (Northants) and District Water Company for the 52 week period ended 28 March 2015 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 17. 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 (APB'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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CORBY (NORTHANTS) AND DISTRICT WATER COMPANY - Continued**

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 28 March 2015 and of its profit for the 52 week period 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matter 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, 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from preparing a strategic report.



Christopher Powell FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds, United Kingdom

9 July 2015

CORBY (NORTHANTS) AND DISTRICT WATER COMPANY

PROFIT AND LOSS ACCOUNT
FOR THE 52 WEEKS ENDED 28 MARCH 2015

	Notes	£	
		52 weeks ended 28 Mar 2015	52 weeks ended 29 Mar 2014
Turnover	2	389,966	401,053
Net operating expenses	3	(389,965)	(370,359)
Operating result/(loss) before taxation	4	-	30,694
Tax on result/profit on ordinary activities	5	1,231	(991)
Profit for the financial period	13	1,231	29,703

The results above arise from continuing operations.

The company has no recognised gains and losses other than the profits/losses above and therefore no separate statement of total recognised gains and losses has been presented.

The accompanying notes are an integral part of this Profit and Loss Account.

CORBY (NORTHANTS) AND DISTRICT WATER COMPANY

BALANCE SHEET AS AT 28 MARCH 2015

	Notes	£	
		28 Mar 2015	29 Mar 2014
Tangible fixed assets	8	289,728	301,624
Current assets			
Stocks	9	2,632	2,632
Debtors	10	553,677	535,351
		556,309	537,983
Creditors: amounts falling due within one year	11	(233,438)	(228,239)
Net current assets		322,871	309,744
Total assets less current liabilities		612,599	611,368
Net assets		612,599	611,368

Capital and reserves			
Called up share capital	12	260,000	260,000
Profit and loss account	13	352,599	351,368
Equity shareholders' funds	14	612,599	611,368

The financial statements of Corby (Northants) and District Water Company, registered number ZC000024 were approved by the Board of Directors and authorised for issue.

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 Mr AR Pickford
 Director

9/3/2015

The accompanying notes are an integral part of this Balance Sheet.

CORBY (NORTHANTS) AND DISTRICT WATER COMPANY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 28 March 2015

1. **Accounting policies**

These financial statements are prepared under the historic cost convention and in accordance with the Companies Act 2006 and Accounting Standards applicable in the United Kingdom. The accounting policies have been consistently applied throughout the period and the preceding period. The principal accounting policies are set out below. The accounts are drawn up to close of business on the Saturday that is nearest to 31 March.

Going Concern

The directors have reviewed the financial condition of the company and of Tata Tubes, a division of Tata Steel UK Limited, the parent undertaking, including consideration of the uncertainties arising in both the company and Tata Tubes from the current difficult economic environment and the consequent impact of this upon trading cash flow and finances of both companies. Based upon the projected cash flow requirements of the company and the programme of actions currently being implemented at Tata Tubes, the directors have formed the view that the position of Tata Tubes who are providing support to company is sufficiently strong. Consequently the directors are satisfied it is reasonable to prepare the accounts on a going concern basis.

(a) **Turnover**

Turnover which excludes value added tax, represents the invoiced value of water sold and other services rendered, and includes sales to the Tubes Business Unit of Tata Steel UK Limited. Revenue on core activities is recognised on the volume of water sold based on service provided. Revenue on non core activities is recognised over the life of the fishing licences.

(b) **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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.

CORBY (NORTHANTS) AND DISTRICT WATER COMPANY

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 MARCH 2015 - Continued

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.

(c) **Stocks**

The stock of consumable stores has been valued at invoiced cost less any provision necessary to reduce to net realisable value.

(d) **Tangible fixed assets**

Tangible fixed assets are recorded at original cost less accumulated depreciation and any provision for impairment.

(e) **Depreciation of tangible fixed assets**

Depreciation has been calculated on the original cost of the assets so as to write off the expenditure on a straight line basis at a rate calculated by reference to the expected useful lives of the assets and the estimated residual value.

The rates of depreciation used are:-

Land and Buildings	2% - 5%
Plant and Machinery	5% - 20%

No depreciation is provided on Freehold Land.

(f) **Pensions**

The company contributes to a group pension scheme operated by Tata Steel UK Limited. This is a defined benefit scheme providing benefits based on final pay and service at retirement. Contributions and pension costs are based on pension costs across the Group as a whole. Independent qualified actuaries last valued the scheme in March 2010 under the actuarial method. This valuation has been updated subsequently to the end of this financial period.

(g) **Cash flow statement**

Tata Steel UK Limited holds 100% of the share capital of the company, and it is included in the consolidated financial statements of Tata Steel Limited, the ultimate parent company. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under Financial Reporting Standard 1 (revised 1996).

2. **Turnover**

The company operates in one principal class of business, with all turnover arising in the United Kingdom.

CORBY (NORTHANTS) AND DISTRICT WATER COMPANY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 28 MARCH 2015 - Continued

3. **Net operating expenses**

	£	
	52 weeks ended 28 Mar 2015	52 weeks ended 29 Mar 2014
Raw materials and consumables	79,416	83,115
Other external charges	72,367	71,318
Employment costs (note 6)	126,890	92,052
Depreciation	11,896	12,425
Other operating charges	99,396	111,449
Total	389,965	370,359

4. **Operating result/(loss) before taxation**

The result/(loss) is stated after charging/(crediting) :

	£	
	52 weeks ended 28 Mar 2015	52 weeks ended 29 Mar 2014
Depreciation	11,896	12,425
Exceptional costs - redundancy	-	(30,694)
Fees payable to the Company's auditor for the audit of the Company's financial statements	6,561	4,000

CORBY (NORTHANTS) AND DISTRICT WATER COMPANY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED 28 MARCH 2015 - Continued

5. Tax on profit/(loss) on ordinary activities

The taxation charge comprises:

	£	
	ended	ended
Current tax:		
UK corporation tax on result/profits for the period	-	-
Adjustment in respect of prior periods group relief	0	0
Current tax charge/(credit)	-	-
Deferred taxation:		
Origination and reversal of timing differences	(1,074)	1,232
Decrease in discount	(157)	(240)
Deferred taxation (credit)/charge	(1,231)	991
Tax on result/(loss) on ordinary activities	(1,231)	991

The current tax charge/(credit) reconciles with the standard rate of corporation tax as follows:

	£	
	52 weeks ended 28 Mar 2015	52 weeks ended 29 Mar 2014
Profit/(loss) on ordinary activities before taxation	-	30,694
Tax on result at standard rate of 21% (2013: 23%)	-	7,060
Effects of:		
(Accelerated)/decelerated capital allowances	(73)	52
Non deductible costs	1,208	1,498
Group relief claimed free of charge	(1,135)	(8,610)
	-	-

The change in the corporation tax rate from 23% to 21% from 6 April 2014 will not materially affect the future tax charge.

6. Employees

Staff Costs	£	
	52 weeks ended 28 Mar 2015	52 weeks ended 29 Mar 2014
Wages and salaries	119,337	84,546
Social security costs	3,099	3,008
Other pension costs	4,454	4,498
TOTAL	126,890	92,052

The average weekly number of employees during the financial period was 1 (2013/14 1).

The manning comprises 1 senior manager

The total employment costs during the year also includes agency labour costs

CORBY (NORTHANTS) AND DISTRICT WATER COMPANY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 28 MARCH 2015 - Continued

7. **Directors' emoluments**

No director received any emoluments in respect of his services to the company during the period (2012/13: £nil)

8. **Tangible fixed assets**

	£		
	Freehold Land and Buildings	Plant and Machinery	Total
Cost at 30 March 2014	526,023	190,400	716,423
Cost as at 28 March 2015	526,023	190,400	716,423
Depreciation as at 30 March 2014	254,697	160,102	414,799
Charge for the period	5,753	6,143	11,896
Depreciation as at 28 March 2015	260,450	166,245	426,695
Net book value at 28 March 2015	265,573	24,155	289,728
Net book value at 30 March 2014	271,326	30,298	301,624

Included in the above is freehold land of £29,976 (30 March 2014: £29,976) which is not depreciated.

There is no capital expenditure contracted as at 28 March 2015 (30 March 2014: £nil).

9. **Stocks**

The whole stock consists of consumable fuel stores.

There is no material difference between the Balance Sheet value of stock and their replacement cost.

CORBY (NORTHANTS) AND DISTRICT WATER COMPANY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 28 MARCH 2015 - Continued

10. Debtors

	£	
	28 Mar 2015	29 Mar 2014
Amounts falling due after one year:		
Deferred tax	2,115	884
Amounts falling due within one year:		
Amounts due by parent undertakings	513,441	511,941
Other debtors	38,121	22,526
Total debtors	553,677	535,351

Deferred taxation

Deferred taxation is provided in the financial statements in accordance with the Company's accounting policy described in note 1.

	28 Mar 2015	29 Mar 2014
	£	£
Accelerated capital allowances	2,948	1,875
Discount	(833)	(991)
Discounted provision for deferred tax	2,115	884

The movement between the opening and closing net deferred tax balance can be analysed as follows:

	£
Deferred tax provided at 29 March 2014	884
Deferred tax credit for the period (note 5)	1,231
Deferred tax provided at 28 March 2015	2,115

A discounted deferred tax asset has been recognised as the directors consider that based on the anticipation of future taxable earnings it is more likely than not that the asset will be recovered. There are no further unrecognised deferred tax assets or unprovided deferred tax liabilities.

11. Creditors

	£	
	28 Mar 2015	29 Mar 2014
Amounts falling due within one year:		
Other creditors and accruals	233,438	228,239
Total creditors	233,438	228,239

12. Called up share capital

	£	
	28 Mar 2015	29 Mar 2014
Authorised, called-up, issued and fully paid :-		
26,000 ordinary shares of £10 each	260,000	260,000

13. Profit and loss account

	£
At 30 March 2014	351,368
Profit for the financial period	1,231
At 28 March 2015	352,599

CORBY (NORTHANTS) AND DISTRICT WATER COMPANY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEKS ENDED 28 MARCH 2015 - Continued

14. **Reconciliation of movement in shareholders' funds**

	£	£
	28 Mar 2015	29 Mar 2014
Opening shareholders' funds	611,368	581,665
Profit for the financial period	1,231	29,703
Closing shareholders' funds	612,599	611,368

15. **Pension scheme**

The company participates in a group pension scheme operated by Tata Steel UK Limited, ('The Scheme'). This is a defined benefit scheme providing benefits based on final pay and service at retirement. The Scheme is operated under trust and its assets are invested independently of the Group.

The contributions made by Corby (Northants) and District Water Company Limited are affected by a surplus or deficit in the group scheme but it is not possible to identify the underlying assets and liabilities attributable to Corby (Northants) and District Water Company Limited in the scheme on a consistent and reasonable basis. Accordingly, the company accounts for the scheme as if it were a defined contribution scheme.

The Scheme was established on 1 October 1990 and members of the previous scheme transferred their benefits into it. A triennial actuarial valuation of the Scheme was undertaken as at 31 March 2011. Despite a significant increase in the value of Scheme assets over the inter-valuation period, growing liabilities resulted in a deficit of £553 million on an on-going basis (2008: £4 million surplus). This represents a funding level of 95% against the value of benefits accrued (2008: 100%).

The pension cost to the Company for the financial period ended 28 March 2015 amounted to £4454 (period ended 30 March 2014: £4497).

The estimated employer contributions expected to be paid to the scheme for 2016 are £4,480

16. **Related party transactions**

The company is a subsidiary of Tata Steel UK Limited (TSUK), and is included in the consolidated financial statements of Tata Steel Limited (TSL), the ultimate parent company.

Consequently the company has taken the exemption in FRS8 'Related Party Disclosures' from disclosing related party transactions with entities that are part of the TSL or investees of TSL.

CORBY (NORTHANTS) AND DISTRICT WATER COMPANY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 52 WEEKS ENDED 28 MARCH 2015 - Continued

17. Ultimate and immediate parent undertaking

The immediate parent undertaking is Tata Steel UK Limited (TSUK), which is registered in England and Wales with TSUK being the smallest group to consolidate these financial statements.

All of the shares are owned by TSUK, with Tata Steel Limited (TSL), a company incorporated in India being the ultimate parent company and controlling party of the company and the largest group to consolidate these financial statements.

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

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