

Registered number
1000954

Steria UK Corporate Limited

Report and Accounts

for the year ended

31 December 2014



Registered Office:
Three Cherry Trees Lane
Hemel Hempstead
Hertfordshire
HP2 7AH

Steria UK Corporate Limited
Report and accounts
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Steria UK Corporate Limited
Company Information

Directors

Mr J P Torrie
Mr D S Ahluwalia
Mr J J Moran

Secretary

Mr P A Cashmore

Auditors

Mazars LLP
45 Church Street
Birmingham
West Midlands
B3 2RT

Bankers

Barclays Bank PLC
1 Churchill Place
Canary Wharf
London
E14 5HP

Registered office

Three Cherry Trees Lane
Hemel Hempstead
Hertfordshire
HP2 7AH

Registered number

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Steria UK Corporate Limited
Directors' Report
for the year ended 31 December 2014

The Directors present their report and accounts for the year ended 31 December 2014.

Activities and Review of the Business

The principal activity of the Company continues to be the holding of investments in group companies.

The financial information presented in these accounts relates to the Company as an individual undertaking and not its group, as the Company is exempt from preparing group accounts under Section 400 of the Companies Act 2006.

The Company is a holding company within the Sopra Steria Group structure and it incurs certain expenditure in relation to the management and supervision of its subsidiary companies.

Change of ownership

During the year Sopra Group S.A. acquired a controlling interest in Groupe Steria SCA and the Company became ultimately majority owned by Sopra Group S.A. Following this, Sopra Group S.A. changed its name to Sopra Steria Group S.A. and Groupe Steria SCA changed its form to Groupe Steria S.A.

On 31 December 2014, Groupe Steria S.A. merged into Sopra Steria Group S.A. and the Company became ultimately wholly owned by Sopra Steria Group S.A. from this date.

Results and Dividends

The loss after taxation for the year was £24.8 million (2013: profit of £124.2 million). No dividends were paid during the year (2013: £nil) and the Directors do not recommend the payment of a final dividend for the year.

The Company's key performance indicators are as follows :

	2014	2013
	£'000	£'000
(Loss) / profit after tax	(24,802)	124,157
Shareholder's funds	155,860	198,821

Profit after tax in 2013 was unusually high due to the reversal of an impairment in the value of a subsidiary company.

In 2014, interest costs increased substantially due to a restructuring of Group funding.

On 31 December 2014, as part of a Group reorganisation, the Company sold some of its investments in subsidiary companies to a fellow Group company. This resulted in a loss of £22.8m but is expected to lead to greater interest receivable in future years. As a result of the reorganisation, the Company no longer controls the assets and liabilities of the Steria Employee Trust, the Xansa 2004 Employee Benefit Trust and the Xansa AESOP Trust.

Shareholder's funds reduced as a result of the loss on disposal and the de-consolidation of assets held by the Trusts.

The Directors consider that the Company's key risk is the potential for the value of its investments to fall below their carrying value. To mitigate this risk, the Directors of the Company actively manage the subsidiary companies with the aim of maximising their revenues and profits.

Strategic report

The Company is small within the definitions of the Companies Act 2006 (the Act) and has thus taken advantage of the Act's provisions for an exemption from preparing a Strategic Report.

Steria UK Corporate Limited
Directors' Report (continued)
for the year ended 31 December 2014

Directors

The following persons served as Directors throughout the year:

Mr J P Torrie
Mr D S Ahluwalia
Mr J J Moran

No other person has served as a director of the Company during or since the end of the year.

Directors' qualifying third party indemnity provisions

The Directors have been granted an indemnity from the Company against liability incurred by them in the discharge of the duties of their office. Neither the Company's indemnity nor insurance provides cover in the event that a Director is proved to have acted fraudulently, in knowing breach of trust or otherwise dishonestly.

Disclosure of information to auditors

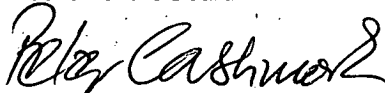
The Directors confirm that:

- a) so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- b) they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

During the year, Ernst & Young LLP resigned as auditors and Mazars LLP were appointed.

On behalf of the Board



P A Cashmore
Company Secretary

14 APRIL 2015

Steria UK Corporate Limited
Statement of Directors' Responsibilities

The Directors are responsible for preparing the report and accounts in accordance with applicable law and regulations.

Company law requires the Directors to prepare accounts for each financial year. Under that law the Directors have elected to prepare the accounts 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 accounts 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 accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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 accounts;
- prepare the accounts 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 accounts 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 auditors' report
to the shareholder of Steria UK Corporate Limited**

We have audited the financial statements of Steria UK Corporate Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related Notes 1 to 18. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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. This report is made solely to the Company's member 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 member 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 member as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the 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 December 2014 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 matters prescribed by the Companies Act 2006

In our opinion the information given in the 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, 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.

Louis Burns

Louis Burns
for and on behalf of Mazars LLP
45 Church Street
Birmingham
West Midlands
B3 2RT

17 April 2015

Steria UK Corporate Limited
Profit and Loss Account
for the year ended 31 December 2014

	Notes	2014 £'000	2013 £'000
Operating costs		(3,030)	(2,236)
Exceptional items	2	(21,701)	122,945
Operating (loss) / profit	3	(24,731)	120,709
Income from investments		824	2,970
Net interest (payable) / receivable	5	(1,529)	334
(Loss) / Profit on ordinary activities before taxation		(25,436)	124,013
Tax on (loss) / profit on ordinary activities	6	634	144
(Loss) / Profit for the financial year		(24,802)	124,157

Continuing operations

All the activities of the Company are classed as continuing.

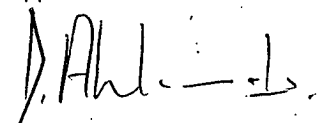
Statement of total recognised gains and losses

There are no recognised gains or losses other than the retained (loss) / profit for the above two financial years.

Steria UK Corporate Limited
Balance Sheet
as at 31 December 2014

	Notes	2014 £'000	2013 £'000
Fixed assets			
Investments	7	26,161	236,348
Other investments	8	-	18,345
		<u>26,161</u>	<u>254,693</u>
Current assets			
Debtors			
- Due within 1 year	9	3,664	33,565
- Due after 1 year	10	214,518	-
Cash at bank and in hand		5	197
		<u>218,187</u>	<u>33,762</u>
Creditors: amounts falling due within one year	11	<u>(11,543)</u>	<u>(85,862)</u>
Net current assets / (liabilities)		206,644	(52,100)
Total assets less current liabilities		<u>232,805</u>	<u>202,593</u>
Creditors: amounts falling due after more than one year	12	(76,945)	(3,772)
Net assets		<u>155,860</u>	<u>198,821</u>
Capital and reserves			
Called up share capital	13	17,833	17,833
Share premium	14	75,809	75,809
Merger reserve	14	47,562	47,562
Profit and loss account	14	14,656	57,617
Shareholder's funds	14	<u>155,860</u>	<u>198,821</u>

Approved on behalf of the Board of Directors



D S Ahluwalia
 Director

14 APRIL

2015

Steria UK Corporate Limited
Notes to the Accounts
for the year ended 31 December 2014

1 Accounting policies

Basis of preparation and consolidation

The accounts are prepared on the historical cost basis of accounting and in accordance with applicable accounting standards.

The Company is exempt from preparing group accounts under section 400 of the Companies Act 2006 as, at 31 December 2014, its ultimate parent, Sopra Steria Group S.A., prepares and publishes consolidated accounts which include the results of the Company and are publicly available.

These financial statements present information about the Company as an individual undertaking and not as a Group.

Cash flow statement

Under the provisions of FRS1, the Company is not required to include a cash flow statement in its accounts. A consolidated cash flow statement is prepared by Sopra Steria Group S.A. and includes the results of the Company.

Exceptional Items

Exceptional items comprise items of income and expense that are material in amount and unlikely to recur and which merit separate disclosure in order to provide an understanding of the Company's underlying performance.

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 recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Deferred tax is measured on a non-discounted basis.

Deferred tax assets are recognised when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates prevailing at that date. Transactions denominated in foreign currencies are accounted for at the rate ruling at the date of the transaction.

All foreign exchange gains and losses are reflected in the profit and loss account.

Operating Leases

Rentals in respect of operating lease arrangements are charged to the profit and loss account evenly during the period of the lease.

Investments

Investments in subsidiary undertakings are stated at cost less provisions for impairment.

Other Investments

Other investments are stated at cost less provisions for impairment.

Steria UK Corporate Limited
Notes to the Accounts
for the year ended 31 December 2014

1 Accounting policies (continued)

Consolidation of trusts

The financial statements previously recognised the results, assets and liabilities of three Trusts, Steria Employee Trust, Xansa 2004 Employee Benefit Trust and Xansa AESOP Trust. On 31 December 2014, the Company ceased to control these Trusts, hence the closing assets and liabilities of the Trusts are not recognised in these financial statements, but the opening assets and liabilities and the results for the year are recognised. The Trusts held 1,432,361 shares in Groupe Steria SCA (the former ultimate holding company) at 31 December 2013.

2 Exceptional items

	2014 £'000	2013 £'000
Decrease in provisions for impairment of investments	1,079	122,945
Loss on disposal of investments	(22,780)	-
	<u>(21,701)</u>	<u>122,945</u>

3 Operating (loss) / profit

This is stated after charging:

	2014 £'000	2013 £'000
Auditor's remuneration - audit of financial statements	<u>35</u>	<u>20</u>

The Company's auditors have not provided any non-audit services to the Company during the year nor during the prior year.

4 Staff costs

The Directors of the Company are also directors of other Sopra Steria Group companies in the United Kingdom. Two of the Directors received total remuneration for the year of £1,268,707 (2013: £1,323,827), all of which was paid by Sopra Steria Limited (formerly Steria Limited). The Directors do not believe that it is practicable to apportion this amount between their services as Directors of the Company and their services as Directors of other Sopra Steria Group companies.

5 Interest receivable / (payable)

	2014 £'000	2013 £'000
Interest paid on intercompany loans	(1,843)	(75)
Interest received on intercompany loans	313	405
Interest received - other	<u>1</u>	<u>4</u>
	<u>(1,529)</u>	<u>334</u>

Steria UK Corporate Limited
Notes to the Accounts
for the year ended 31 December 2014

6 Taxation	2014	2013
	£'000	£'000
Tax on (loss) / profit on ordinary activities		
The (credit) for the year comprises :		
UK Corporation tax - current year	(643)	(205)
Adjustments in respect of prior years	9	61
Tax on (loss) / profit on ordinary activities	(634)	(144)

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the (loss) / profit before tax is as follows :-

	2014	2013
	£'000	£'000
(Loss) / profit on ordinary activities before tax	(25,436)	124,013
Standard rate of corporation tax in the UK	21.50%	23.25%
	£'000	£'000
Tax on (loss) / profit on ordinary activities at standard UK corporation tax rate for the year of 21.5% (2013: 23.25%)	(5,469)	28,833
Effects of:		
(Write back) in market value of investments held by employee trusts	(232)	(139)
Impairment in market value of investments in subsidiaries	-	(28,445)
Non-deductible loss on intragroup disposal of investments	4,898	-
Non-taxable dividend receivable	(155)	(638)
Transactions relating to trusts	315	184
Adjustments to tax charge in respect of previous periods	9	61
Total current tax credit for the period	(634)	(144)

The Finance Act 2013 provides that the main rate of corporation tax will fall to 20% with effect from 1 April 2015. As this legislation has been substantively enacted at the balance sheet date the impact of the tax rate reduction on the deferred tax balances carried forward has been included in the accounts.

Steria UK Corporate Limited
Notes to the Accounts
for the year ended 31 December 2014

7 Investments in subsidiary undertakings

	2014
	£'000
Cost	
At 1 January	926,348
Disposals	(751,398)
At 31 December 2014	<u>174,950</u>
Provision	
At 1 January 2014	(690,000)
Disposals	541,211
At 31 December 2014	<u>(148,789)</u>
Net book value	
At 31 December 2014	<u>26,161</u>
At 31 December 2013	<u>236,348</u>

The principal undertakings of the Company as at 31 December 2014 were as follows :

	Proportion of voting rights	Country of incorporation	Year end	Nature of Business
Directly owned undertakings				
OSI Group Holdings Limited	100%	England	31 December	Holding company
Xansa Holdings Inc.	100%	USA	31 December	Holding company
Steria (India) Limited	100%	India	31 December	Information technology services/ business process outsourcing
Indirectly owned undertakings				
OSI Group Limited	100%	England	31 December	Holding company
Xansa Inc.	100%	Canada	30 April	Non-trading

Steria UK Corporate Limited
Notes to the Accounts
for the year ended 31 December 2014

8 Other Investments	2014	2013
	£'000	£'000
Cost		
As at 1 January	25,597	25,951
Additions	-	165
Disposals	(1,455)	(519)
Trust assets no longer under the control of the Company	(24,142)	-
As at 31 December	-	25,597
	2014	2013
	£'000	£'000
Provision		
As at 1 January	7,252	7,854
Amount written back during the year	(1,079)	(602)
Trust assets no longer under the control of the Company	(6,173)	-
As at 31 December	-	7,252
Net book value as at 31 December	-	18,345
9 Debtors: amounts falling due within one year	2014	2013
	£'000	£'000
Amounts due from fellow group undertakings	-	32,740
Corporation tax	3,664	825
	3,664	33,565
10 Debtors: amounts falling due after one year	2014	2013
	£'000	£'000
Amounts due from fellow group undertakings	214,518	-
11 Creditors: amounts falling due within one year	2014	2013
	£'000	£'000
Amounts due to fellow group undertakings	788	81,430
Amounts due to parent undertaking	10,755	4,425
Other creditors and accruals	-	7
	11,543	85,862
12 Creditors: amounts falling due after one year	2014	2013
	£'000	£'000
Loan due to parent undertaking	-	3,772
Amounts due to fellow group undertakings	76,945	-
	76,945	3,772
	2014	2013
	£'000	£'000
Maturity of loans		
In more than one year but not more than two years	-	3,772
	-	3,772

Steria UK Corporate Limited
Notes to the Accounts
for the year ended 31 December 2014

13 Share capital	Number of shares		Ordinary share capital	
	2014	2013	2014 £'000	2013 £'000
Allotted, called up and fully paid: Ordinary shares of 5.0p each	<u>356,666,144</u>	<u>356,666,144</u>	<u>17,833</u>	<u>17,833</u>

14 Reconciliation of movement in shareholder's funds

	Share capital	Share premium	Merger reserve	Profit and Loss account	Total
As at 1 January	17,833	75,809	47,562	57,617	198,821
Profit for the financial year	-	-	-	(24,802)	(24,802)
De-consolidation adjustment	-	-	-	(18,159)	(18,159)
As at 31 December	<u>17,833</u>	<u>75,809</u>	<u>47,562</u>	<u>14,656</u>	<u>155,860</u>

The de-consolidation adjustment represents the cumulative profit and loss account of the trusts that were formerly consolidated but ceased to be controlled by the Company on 31 December 2014 (see note 1).

15 Guarantees and contingencies

The Company has given guarantees to several landlords in relation to property leases assigned or transferred to Sopra Steria Limited.

The Company has given guarantees to some of the customers of its fellow subsidiary companies, in relation to the performance and obligations of those fellow subsidiary companies. These state that, should the relevant fellow subsidiary companies be unable to perform their obligations under the contract, then the Company will ensure that the fellow subsidiary companies' obligations under contract will continue to be met. At the date of approving the accounts, the Directors considered that the relevant fellow subsidiary companies were meeting the relevant contractual obligations and that the probability of any economic transfer being made as a result of the guarantees was remote.

16 Obligations under leases and hire purchase contracts

The annual commitments under non-cancellable operating leases were as follows:

	Land and buildings	
	2014 £ 000's	2013 £ 000's
Leases expiring:		
In less than one year	<u>-</u>	<u>529</u>
	<u>-</u>	<u>529</u>

The leases are in the name of the Company but are paid by Sopra Steria Limited.

Steria UK Corporate Limited
Notes to the Accounts
for the year ended 31 December 2014

17 Controlling party

The Company's immediate and ultimate holding company as at 31 December 2014 was Sopra Steria Group S.A., a company registered in France. Sopra Steria Group S.A. has included the Company in its group accounts, copies of which may be obtained from Sopra Steria Group S.A., PAE les Glaisins, 74940 Annecy-le-Vieux, France. They are also available on the Sopra Steria Group website at www.soprasteria.com.

The smallest and largest group in which the results of the Company are consolidated is Sopra Steria Group S.A., a company incorporated in France. In these accounts "Group" refers to the group of companies of which Sopra Steria Group S.A. is the ultimate holding company.

18 Related parties

The Company has taken advantage of the exemption under FRS 8 not to disclose related party transactions with other Group companies, as Group accounts are prepared.