

2754939



**Tata Steel International (UK) Limited
(formally Corus International Trading
Limited)**

Annual report and financial statements
for the 12 months ended 3 April 2010

TUESDAY



LE1CFQ4L

LD7

21/12/2010

163

COMPANIES HOUSE

Tata Steel International (UK) Limited

Annual report and financial statements for the 12 months ended 03 April 2010

	Page
Directors and advisers as at 3 April 2010	1
Directors' report for the 12 months ended 3 April 2010	2
Independent auditors' report to the members of Tata Steel International (UK) Limited	5
Group profit and loss account for the 12 months ended 3 April 2010	7
Reconciliation of movement in group shareholders' funds for the 12 months ended 3 April 2010	8
Balance sheet as at 3 April 2010	9
Notes to the financial statements for the 12 months ended 3 April 2010	10

Tata Steel International (UK) Limited

Directors and advisers as at 3 April 2010

Directors

Mr Adriaan Vollebergh (appointed 12 January 2010)
Mr J Caouki (appointed 1 March 2010)
Mr J Uijterwaal (Chairman) (appointed 12 January 2010)
Mr A S MacDonald (resigned 1 March 2010)
Mr S Doherty (resigned 12 January 2010)

Secretary

Mrs A L Scandrett

Registered office

30 Millbank
London
SW1P 4WY

Independent auditors

Deloitte LLP
Chartered Accountants and Registered Auditors
London
EC4A 3BZ

Tata Steel International (UK) Limited

Directors' report for the 12 months ended 3 April 2010

The directors present their report and the consolidated audited financial statements for the 12 month period ended 3 April 2010

Principal activities

The principal activity of the group is the performance of worldwide trade in steel and related materials

Review of business

The profit and loss account for the period is set out on page 7

The directors do not recommend the payment of a dividend (12 months to 28 March 2009 £nil) The profit of £441,000 (2009 loss £3,449,000) will be transferred to reserves

Following on from the rapid decrease in steel prices during the final quarter of the year ended 28 March 2009 prices continued to fall during the first quarter before stabilising in quarter two Prices during the year remained considerably lower than those seen during the previous year with an average selling price per tonne of £359 vs £598 for the year ended 28 March 2009 The continuing challenges posed by a global recession also saw volumes decrease dramatically across all regions with a total annual volume of 451kt vs 812kt in the previous year

Despite reduced volumes and lower prices a renewed focus on core activities and careful control of costs during the year ensured a modest profit for the year ended 3 April 2010

Key performance indicators

	12 months ended 3 April 2010	12 months ended 28 March 2009
Return on sales (%) *	0.3	(0.8)
Gross margin to sales (%) **	5.4	3.1
Sales price per tonne (£)	359	598

* Profit/(loss) after tax for the period over revenue

** Revenue less law materials (incl. movements in stock) for the period over revenue

Future activities

The first half of 2010/11 was much improved over the same period for 2009/10 with sales averaging 173kt per quarter Steel prices increased gradually with an average for the half year of £476/mt and are likely to remain stable over the remainder of the year

The company seeks to maintain its strong steel trading presence during the year, with a view to recovery towards the end of the year and beyond

It is anticipated that Tata Steel International (UK) Limited will continue to trade in steel and related materials in the global market for the foreseeable future

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

Tata Steel International (UK) Limited

Directors' report for the 12 months ended 3 April 2010 (continued)

Directors

The directors of the company at 3 April 2010 are listed on page 1

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and foreign exchange risk. Most of the company's purchases and sales are denominated in US dollars or Euros. All risks associated with foreign exchange are borne by the parent company, Tata Steel UK Limited (formerly Corus UK Limited). The company also seeks to limit the adverse effects on financial performance by monitoring levels of debt finance and the related finance costs.

The policies set by the board of directors are monitored by the finance committee and implemented by the company's finance department.

Price risk

The company has no exposure to equity securities price risk. Exposure to commodity price risk is managed by matching customer and supplier terms.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. Deposits of surplus funds are limited to approved institutions.

Liquidity risk

The finance department actively maintains short-term debt finance that is designed to ensure the company has sufficient available funds for operations.

Interest rate cash flow risk

The company has both interest bearing assets and interest bearing liabilities. Interest bearing assets are cash balances that earn interest at a floating rate of interest. Interest bearing liabilities are loans from the parent company that bear interest at a floating rate of interest. The company has a policy of maintaining debt at a floating rate of interest to match the interest charge to income and obtain the most favourable market rate. The directors will revisit this policy should there be a fundamental shift in market conditions.

Payment to creditors

It is the policy of the company to establish terms of payment with suppliers when agreeing the terms of business transactions. The aim is to deliver funds to suppliers when due, either by cheque or other means of payment.

Trade creditors' days as at the period end are 78 days (2008: 4 days). The reason for the increased creditor days was an increased focus on working capital management.

Tata Steel International (UK) Limited

Directors' report for the 12 months ended 3 April 2010 (continued)

Statement of Directors' responsibilities in respect of the Annual Report and the financial statements

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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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 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, in which case there should be supporting assumptions or qualifications as necessary

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.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

Auditors and disclosure of information to auditors

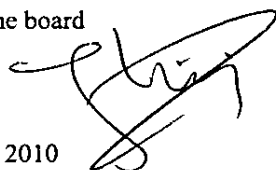
Each director in office at the date of this Directors' report confirms that

- a) so far as the director is 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 a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

By order of the board

J Uijterwaal
Director
21 December 2010



Tata Steel International (UK) Limited

Independent auditors' report to the members of Tata Steel International (UK) Limited

We have audited the group and parent company financial statements (the "financial statements") of Tata Steel International (UK) Limited for the 12 months ended 3 April 2010 which comprise the group profit and loss account, the reconciliation of movement in group shareholders' funds, the group and company balance sheets and notes 1 to 21. 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 auditors' 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 auditors

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 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 group's and the parent 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.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent company's affairs as at 3 April 2010 and of the group's profit 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Tata Steel International (UK) Limited

Independent auditors' report to the members of Tata Steel International (UK) Limited (continued)

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 parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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 Kelly

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditors

London, United Kingdom

21 December 2010

Tata Steel International (UK) Limited

Group profit and loss account for the 12 months ended 3 April 2010

	Notes	Group 12 months ended 3 April 2010 £'000	Group 12 months ended 28 March 2009 £'000
Turnover	2	161,961	493,634
Operating costs	3	(161,387)	(497,779)
Operating profit/(loss)		574	(4,145)
Interest receivable and similar income	4	38	-
Interest payable and similar charges	5	-	(638)
Profit/(Loss) on ordinary activities before taxation		612	(4,783)
Tax (charge)/credit on profit/(loss) on ordinary activities	6	(171)	1,334
Profit/(loss) for the period	15	441	(3,449)

The above results relate wholly to continuing operations

The company has no recognised gains or losses other than those included in the profit and loss account above, and therefore no separate statement of recognised gains and losses has been presented

There is no difference between the profit/(loss) on ordinary activities before taxation and profit/(loss) for the period stated above, and their historical cost equivalents

Tata Steel International (UK) Limited

Reconciliation of movement in group shareholders' funds for the 12 months ended 3 April 2010


		Group	Group
		12 months ended 03 April 2010	12 months ended 28 March 2009
	Notes	£'000	£'000
Opening shareholder funds		13,407	16,856
Profit/(loss) for the period	15	441	(3,449)
Closing shareholder funds		13,848	13,407

Tata Steel International (UK) Limited

Balance sheet as at 3 April 2010

		Group	Company	Group	Company
	Notes	03 April 2010	03 April 2010	28 March 2009	28 March 2009
		£'000	£'000	£'000	£'000
Fixed assets					
Investments	17	-	-	-	-
Current assets					
Stocks	10	3,136	3,136	1,468	1,468
Debtors amounts falling due within one year	11	44,000	37,228	25,264	21,381
		47,136	40,364	26,732	22,849
Creditors amounts falling due within one year	12	(33,098)	(30,115)	(12,975)	(12,766)
Total assets less current liabilities		14,038	10,249	13,757	10,083
Provisions for liabilities and charges	13	(190)	(190)	(350)	(350)
Net assets		13,848	10,059	13,407	9,733
Capital & reserves					
Called up share capital	14	1,657	1,657	1,657	1,657
Profit & loss account	15	12,191	8,402	11,750	8,076
Total shareholder funds		13,848	10,059	13,407	9,733

The notes on pages 11 to 20 form part of these financial statements. The financial statements were approved by the Board on 21 December 2010 and signed on its behalf by



J Uijterwaal
Director
21 December 2010

Tata Steel International (UK) Limited

Notes to the financial statements for the 12 months ended 3 April 2010

1 Presentation of accounts and principal accounting policies

These financial statements have been prepared on the going concern basis, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been consistently applied, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention. The company has adopted the requirements of Financial Reporting Standard 20, Share Based Payments. There is no material effect of the adoption of this standard on these financial statements.

An exemption has been taken with regards to Financial Reporting Standard 29 as over 90% of the voting rights are held within the group.

The accounts have been prepared for the 12 month period to 3 April 2010 with comparative information shown for the 12 month period to 28 March 2009. As set out in the Directors' report, the ability of the Group to continue as a going concern has been assessed and these accounts have been prepared on a going concern basis.

Basis of consolidation

The consolidated profit and loss account and balance sheet include the company and its subsidiary. This has been accounted for under the gross equity method of consolidation. The profits or losses of subsidiaries are included from the date of acquisition or up to the date of their disposal.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is measured as actual cost incurred for purchasing of the goods.

Turnover

Turnover, which excludes value added tax, represents the sales value of all goods despatched during the period. Turnover is recognised when the risk and rewards of the transactions are transferred in accordance with the Incoterm stated in the sales contract.

Deferred taxation

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. Timing differences are differences between the company's taxable profits and its results as stated in the accounts. The deferred tax assets and liabilities recognised have been discounted. There is no deferred tax balance as at 03 April 2010.

Foreign currency translation

Transactions in overseas currencies are translated at the exchange rate ruling at the date of the transaction or, where forward cover contracts have been arranged, at the contracted rates. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rates ruling at the balance sheet date or at a contracted rate if applicable and any exchange differences arising are taken to the profit and loss account.

Tata Steel International (UK) Limited

Notes to the financial statements for the 12 months ended 3 April 2010 (continued)

1 Principal accounting policies (continued)

Financial instruments

The group's parent company Tata Steel UK Limited uses derivative financial instruments to hedge the group's exposure to fluctuations in foreign exchange rates. Gains and losses on foreign currency hedges are recognised on maturity of the underlying transaction in the financial statements of Tata Steel UK Limited. All costs and risks associated with these are borne by Tata Steel UK Limited.

Pension costs

The expected cost of providing pension benefits is charged to the profit and loss account so as to spread the cost over the expected average remaining service lives of employees. Further details are given in note 16.

Cashflow

The financial statements do not include a cash flow statement because the company, as a wholly owned subsidiary, is exempt from the requirements to prepare such a statement under Financial Reporting Standard Number 1 (revised 1996) "Cash Flow Statements".

Fixed asset investments

Investments are stated at cost less provision for diminution in value where appropriate.

Tata Steel International (UK) Limited

Notes to the financial statements for the 12 months ended 3 April 2010 (continued)

2 Turnover

Geographical market analysis of turnover by destination is set out below

	Group 12 months ended 03 April 2010 £'000	Group 12 months ended 29 March 2009 £'000
United Kingdom	2,205	7,218
European Union (excluding UK)	9,802	121,899
Europe (excluding EU)	23,759	59,463
USA	29,845	-
Central/South America	-	192
Africa	39,983	23,497
Asia	56,367	281,365
	161,961	493,634
Included in the above		
Sales to group companies	35,094	67,129

Tata Steel International (UK) Limited

Notes to the financial statements for the 12 months ended 3 April 2010 (continued)

3 Operating costs

	Group 12 months ended 03 April 2010 £'000	Group 12 months ended 28 March 2009 £'000
Changes in stocks of finished goods	(383)	6,881
Raw materials and consumables	152,929	470,299
Other external charges	2,521	7,592
Employment costs	895	1,310
Other operating charges	5,425	11,697
	161,387	497,779
The above costs are stated after charging:		
Fees payable for the audit of parent company and consolidated accounts	28	29
Fees payable for the audit of subsidiary accounts	7	7

4 Interest receivable and similar income

	Group 12 months ended 03 April 2010 £'000	Group 12 months ended 28 March 2009 £'000
Interest receivable from group companies	38	-

Tata Steel International (UK) Limited

Notes to the financial statements for the 12 months ended 3 April 2010 (continued)

5 Interest payable and similar charges

	Group 12 months ended 03 April 2010 £'000	Group 12 months ended 28 March 2009 £'000
Interest payable to group companies	-	638

6 Tax charge/(credit) on profit/(loss) on ordinary activities

	Group 12 months ended 03 April 2010 £'000	Group 12 months ended 28 March 2009 £'000
United Kingdom corporation tax at 28% (2009 28%)		
- Current tax	171	(1,338)
- Prior year adjustment	-	4
	171	(1,334)

The tax assessed for the period is equal to (2009 equal to) the standard rate of corporation tax in the UK (28%) The current tax charge reconciles with the standard rate of corporation tax as follows

Tata Steel International (UK) Limited

Notes to the financial statements for the 12 months ended 3 April 2010 (continued)

6 Tax charge on profit on ordinary activities (continued)

	Group 12 months ended 03 April 2010 £'000	Group 12 months ended 28 March 2009 £'000
(Loss)/profit on ordinary activities before taxation	612	(4,783)
(Loss)/profit on ordinary activities multiplied by standard rate of UK corporation tax at 28% (2009 28%)	171	(1,339)
Prior year tax adjustment	-	4
Permanent differences	-	1
	171	(1,334)

7 Result of the company

As permitted by section 408 of the Companies Act 2006, the parent company's profit and loss account has not been included in these financial statements. The parent company's profit for the financial year is £326,000 (2009 loss £823,000)

8 Employees

	Group 12 months ended 03 April 2010 £'000	Group 12 months ended 28 March 2009 £'000
Total costs of all employees in the company were		
Wages and salaries	734	1,106
Social security costs	66	82
Other pension costs	95	122
	895	1,310

Tata Steel International (UK) Limited

Notes to the financial statements for the 12 months ended 3 April 2010 (continued)

8 Employees (continued)

The average monthly number of employees of the company during the period was

	Group 12 months ended 03 April 2010 Number	Group 12 months ended 28 March 2009 Number
Management	3	3
Staff	10	13
	13	16

9 Directors' emoluments

No director received or waived any remuneration during the 12 month period (12 months to 28 Mar 2009 £nil) in respect of their services

The emoluments of the directors are borne by the parent company, Tata Steel UK Limited, and are deemed to be wholly attributable to services to that company No recharge is made to this company

10 Stocks

	Group 03 April 2010 £'000	Company 03 April 2010 £'000	Group 28 March 2009 £'000	Company 28 March 2009 £'000
Finished goods and goods for resale	3,136	3,136	1,468	1,468

Tata Steel International (UK) Limited

Notes to the financial statements for the 12 months ended 3 April 2010 (continued)

11 Debtors: amounts falling due within one year

	Group	Company	Group	Company
	03 April 2010	03 April 2010	28 March 2009	28 March 2009
	£'000	£'000	£'000	£'000
Trade debtors	23,111	23,111	13,633	12,916
Provision for bad debts	(129)	(129)	(1,260)	(1,260)
Group relief tax debtor	-	-	1,334	312
Amounts owed by group companies	20,738	13,966	11,384	9,240
Other debtors	280	280	173	173
Total debtors	44,000	37,228	25,264	21,381

12 Creditors: amounts falling due within one year

	Group	Company	Group	Company
	03 April 2010	03 April 2010	28 March 2009	28 March 2009
	£'000	£'000	£'000	£'000
Trade creditors	22,436	22,436	1,678	1,546
Amounts owed to group companies	8,009	5,076	5,573	5,573
Corporation tax creditor	171	127	-	-
Other creditors	2,482	2,476	5,724	5,647
	33,098	30,115	12,975	12,766

Tata Steel International (UK) Limited

Notes to the financial statements for the 12 months ended 3 April 2010 (continued)

13 Provision for liabilities and charges

	Group	Company
	£'000	£'000
Balance at 28 March 2009	350	350
Utilised during the period	(350)	(350)
Provided during the period	190	190
Balance at 3 April 2010	190	190

The company has received payments from a supplier which is payable to a customer. The group will not pay over the funds until a sufficient amount of cash has been received which is expected to be payable in the next year.

14 Called up share capital

	Authorised, allotted, issued and fully paid	
	Number	£'000
Ordinary shares of £1 each		
At 28 March 2009 and at 03 April 2010	1,657,666	1,657

15 Reserves

	Group	Company
	£'000	£'000
At 28 March 2009	11,750	8,076
Profit for the period	441	326
At 3 April 2010	12,191	8,402

Tata Steel International (UK) Limited

Notes to the financial statements for the 12 months ended 3 April 2010 (continued)

16 Pension and similar obligations

Tata Steel International (UK) Limited participates in the British Steel Pension Scheme sponsored by the parent company, Tata Steel UK Limited. This is a funded, defined benefit scheme providing benefits based on final pay and service at retirement. The fund is valued every three years by a professionally qualified independent actuary. The latest formal valuation was carried out as at 31 March 2008. Particulars of the scheme's valuation are contained within the accounts of Tata Steel UK Limited. The contributions paid by the Company are accounted for as if the scheme were a defined contribution scheme, as the Company is unable to identify its share of the underlying assets and liabilities in the scheme. The pension cost for the 12 months to 3 April 2010 amounted to £95,335 (12 months to 28 March 2009: £269,741). The scheme was fully funded with a very small surplus on an ongoing basis to meet its liabilities at the valuation date and the Directors do not consider that the contribution rates will change significantly until the results of the next actuarial assessment are made available.

17 Principal subsidiary undertakings

Tata Steel International (UK) Limited holds 100% of the equity and shares of Industrial Steels Limited (£2), which is incorporated in Great Britain. Industrial Steels Limited principal activity is the performance of worldwide trade in steel.

18 Derivative financial instruments

The group's local currency is pounds sterling but approximately 95.3% of sales and 63.4% of purchases are denominated in different currencies, mainly United States Dollars or Euros. As a result, the group is subject to foreign currency exchange risk due to exchange rate movements between pounds sterling and the other currencies. The group seeks to reduce these risks by entering into forward contracts. Tata Steel UK Limited manages and contracts for all foreign exchange forward contracts on behalf of Tata Steel International (UK) Limited. It is not possible to accurately allocate the cost or benefit of such forward contracts to Tata Steel International (UK) Limited and, as such, no fair value disclosures have been included in these accounts.

19 Related party transactions

Tata Steel International (UK) Limited is an indirect subsidiary of Tata Steel UK Holdings Limited (formally Tata Steel UK Limited), the consolidated accounts of which are publicly available. All inter-company transactions are eliminated on consolidation and therefore an FRS 8 exemption has been taken with regard to related party transactions.

Tata Steel UK Holdings Limited provides Tata Steel International (UK) Limited with a number of support and administrative services.

20 Ultimate parent undertaking and controlling party

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

Tata Steel Limited, a company incorporated in India, is the ultimate parent company and controlling party.

Copies of reports and accounts for Tata Steel UK Limited and Tata Steel UK Holdings Limited may be obtained from the Secretary, 30 Millbank, London, SW1P 4WY.

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

Tata Steel International (UK) Limited

Notes to the financial statements for the 12 months ended 3 April 2010 (continued)

21 Post balance sheet events

Subsequent to the year end, a resolution was passed on 8 April 2010 to rename Corus International Trading Limited to Tata Steel International (UK) Limited