

Registered no: 2856238

## **British Transformer Cores Limited**

**Annual report  
for the 15 month period ended 29 March 2008**

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# **British Transformer Cores Limited**

## **Annual report for the 15 month period ended 29 March 2008**

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# **British Transformer Cores Limited**

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## **Directors and advisers**

### **Directors**

W Ford  
D S Maddock (resigned 15 January 2008)  
J M Regan (appointed on 15 January 2008)

### **Secretary and registered office**

A D Elias  
Orb Works  
Corporation Road  
Newport  
NP19 0XT

### **Auditors**

PricewaterhouseCoopers LLP  
One Kingsway  
Cardiff  
CF10 3PW

### **Solicitors**

Corus UK Limited  
30 Millbank  
London  
SW1P 4WY

### **Bankers**

Lloyds TSB Bank plc  
City Office  
Gillingham Business Park  
Gillingham  
Kent  
ME8 0LS

## Directors' report for the 15 month period ended 29 March 2008

The directors present their report and the audited financial statements for the 15 month period ended 29 March 2008.

### Business review and principal activities

The company is a wholly owned subsidiary within the Tata Steel Limited Group ("TSUK") and activities are managed as an integral part of the parents operations.

The company's principal activity was the supply of cores for the transformer manufacturing business. On 30 December 2006, the company's business (other than stock) was transferred to Corus UK Limited as a going concern for a consideration equal to the market value of the net assets of the company as at 30 December 2006. The company's stock was transferred to Corus UK Limited in the prior financial period. The company has not traded during the period.

### Results and dividends

The results of the company show turnover in the period of £Nil (2006: £146,000) and a pre-tax profit of £Nil (2006: £54,000). The directors do not recommend the payment of a dividend in respect of the period ended 29 March 2008 (£Nil)

### Directors

The directors of the company are listed on page 1. D S Maddock resigned as a director on 15 January 2008 and JM Regan was appointed as a director on that date.

### Statement of directors' responsibilities

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). The financial statements are required by law to 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.

**Directors' report  
for the 15 month period ended 29 March 2008 (continued)**

**Statement of directors' responsibilities (continued)**

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

The directors are responsible for keeping proper accounting records 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 1985. 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.

**Statement of disclosure of information to auditors**

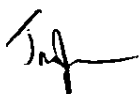
Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

So far as each director is aware, there is no relevant information of which the company's auditors are unaware.

**Auditors**

The company has passed an elective resolution pursuant to Section 386 of the Companies Act 1985 to dispense with the obligation to appoint auditors annually.

**By order of the board**



11 December 2008

**Director**

## Independent auditors' report to the members of British Transformer Cores Limited

We have audited the financial statements of British Transformer Cores Limited for the 15 month period ended 29 March 2008, which comprise the profit and loss account, the balance sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

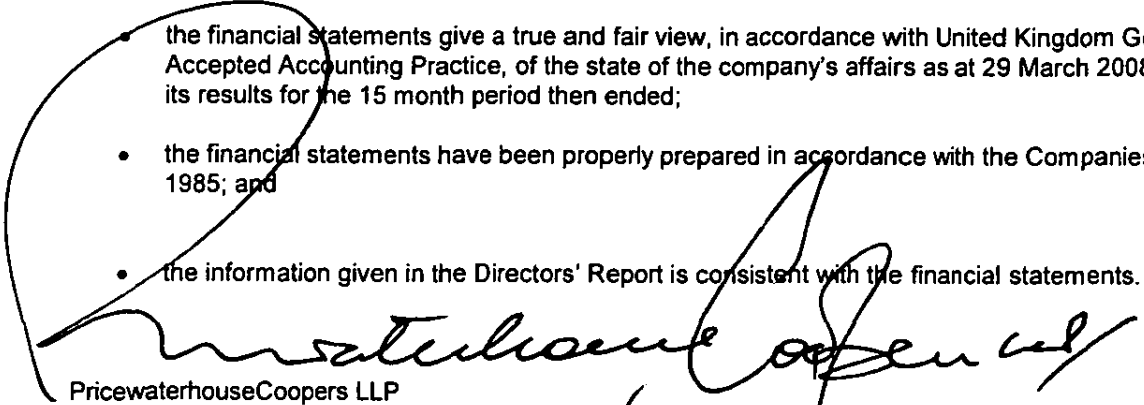
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 29 March 2008 and of its results for the 15 month period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

  
PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors  
Cardiff

11 December 2008.

**Profit and loss account  
for the 15 month period ended 29 March 2008**

	Notes	15 months to 29 March 2008 £'000	12 months to 30 December 2006 £'000
<b>Discontinued operations</b>			
Turnover	2	-	146
Cost of sales		-	(81)
<b>Gross profit</b>		-	65
Net operating expenses	3	-	(11)
<b>Operating profit</b>		-	54
Interest receivable and similar income		-	-
<b>Profit on ordinary activities before tax</b>	6	-	54
Tax on profit on ordinary activities	7	-	(16)
<b>Retained profit for the financial period</b>	12	-	38

**Statement of total recognised gains and losses**

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

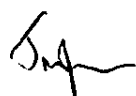
**Historical cost profits and losses**

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

**Balance sheet  
at 29 March 2008**

	Notes	29 March 2008 £'000	30 December 2006 £'000
<b>Current assets</b>			
Debtors	8	483	510
		483	510
Creditors: amounts falling due within one year	9	-	(27)
<b>Net current assets</b>		<b>483</b>	<b>483</b>
<b>Total assets less current liabilities</b>		<b>483</b>	<b>483</b>
<b>Net assets</b>		<b>483</b>	<b>483</b>
<b>Capital and reserves</b>			
Called up share capital	11	1,000	1,000
Profit and loss account	12	(517)	(517)
<b>Equity shareholders' funds</b>	13	<b>483</b>	<b>483</b>

The financial statements on pages 5 to 12 were approved by the board of directors on and were signed on its behalf by:



11 December 2008

Director



**Notes to the financial statements  
for the 15 month period ended 29 March 2008**

**1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

**Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention.

**Cash flow statement**

The company is a wholly owned subsidiary within the TSUK Group and the cash flows of the company are included in the consolidated cash flow statement of that company. Consequently the company is exempt under the terms of Financial Reporting Standard No. 1 (Revised) from publishing a cash flow statement.

**Turnover**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods. Revenue excludes VAT and similar taxes.

**Foreign currencies**

Monetary assets and liabilities in foreign currencies are translated into sterling at the quoted rates of exchange ruling at each balance sheet date except where forward cover has been obtained, when the covered rate is used. Exchange differences are taken to the profit and loss account.

**Pension costs**

Payments to defined contribution retirement schemes and personal pension arrangements are charged as an expense as they fall due.

The company contributes to a group pension scheme, which is a defined benefit scheme. Contributions and costs are based on pension costs across the group pension scheme as a whole as the company is unable to identify its share of the underlying assets and liabilities in the group defined benefit scheme on a consistent and reasonable basis, the scheme is treated as a defined contribution scheme and the contributions payable each year are recognised as an expenses in the profit and loss account.

## Notes to the financial statements for the 15 month period ended 29 March 2008 (continued)

### 2 Turnover

The company's turnover and profit on ordinary activities before taxation all arose from one class of business. An analysis of turnover by geographical segment is shown below:

	15 months to 29 March 2008 £'000	12 months to 30 December 2006 £'000
UK	-	63
Rest of Europe	-	83
	-	146

### 3 Net operating expenses

	15 months to 29 March 2008 £'000	12 months to 30 December 2006 £'000
Administrative expenses	-	11

### 4 Directors' emoluments

Emoluments paid to directors of the company are paid by the intermediate parent company, Cogent Power Limited which makes no recharge to the company. The directors are also directors of a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of these subsidiaries.

**Notes to the financial statements  
for the 15 month period ended 29 March 2008 (continued)**

**5 Employee information**

The average monthly number of persons employed by the company during the period was:

	<b>15 months to 29 March 2008 Number</b>	<b>12 months to 30 December 2006 Number</b>
<b>By activity</b>		
Production	-	1
	-	1

	<b>15 months to 29 March 2008 £'000</b>	<b>12 months to 30 December 2006 £'000</b>
<b>Staff costs (for the above person)</b>		
Wages and salaries	-	16
Social security costs	-	1
Other pension costs	-	1
	-	18

**6 Profit on ordinary activities before taxation**

	<b>15 months to 29 March 2008 £'000</b>	<b>12 months to 30 December 2006 £'000</b>
<b>Profit on ordinary activities before taxation is stated after charging:</b>		
Auditors' remuneration for audit services	-	-

Auditors' remuneration in respect of the company was borne by the parent company, Orb Electrical Steels Limited.

## Notes to the financial statements for the 15 month period ended 29 March 2008 (continued)

### 7 Taxation

#### (a) Analysis of charge in the period

	15 months to 29 March 2008 £'000	12 months to 30 December 2006 £'000
<b>Current tax:</b>		
UK tax charge at 30% (2006: 30%)	-	16
<b>Current tax charge (Note 7(b))</b>	-	16
<b>Tax on profit on ordinary activities</b>	-	16

#### (b) Factors affecting the tax charge for the period

The current tax charge reconciles with the standard rate of UK corporation tax as follows:

	15 months to 29 March 2008 £'000	12 months to 30 December 2006 £'000
Tax on result at standard rate of 30% (2006: 30%)	-	16
<b>Current tax charge (Note 7(a))</b>	-	16

### 8 Debtors

	29 March 2008 £'000	30 December 2006 £'000
<b>Amounts falling due within one year</b>		
Trade debtors	-	61
Amounts due from group undertakings	483	438
Prepayments	-	11
	<b>483</b>	<b>510</b>

## Notes to the financial statements for the 15 month period ended 29 March 2008 (continued)

### 9 Creditors: amounts falling due within one year

	29 March 2008 £'000	30 December 2006 £'000
Trade creditors	-	9
Group relief payable	-	16
Other taxation and social security	-	2
	-	27

### 10 Pension and similar obligations

The company participates in the British Steel Pension Scheme. The British Steel Pension Scheme, a multi-employer scheme, is a defined benefit scheme and its assets are held in a separately administered fund. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at least triennially and updated at each balance sheet date. The company is unable to identify its share of the underlying assets and liabilities in the British Steel Pension Scheme and therefore the scheme is treated as a defined contribution scheme and only recognises the contributions paid each year. Particulars of the actuarial assumptions and the accounting under FRS 17 are contained in the accounts of TSUK. The pension charge for the period was £Nil (2006: £1,000).

### 11 Called up share capital

	29 March 2008 £'000	30 December 2006 £'000
<b>Authorised</b>		
1,000,000 ordinary shares of £1 each	1,000	1,000
<b>Allotted, called up and fully paid</b>		
1,000,000 ordinary shares of £1 each	1,000	1,000

## Notes to the financial statements for the 15 month period ended 29 March 2008 (continued)

### 12 Profit and loss account

	£'000
At 31 December 2006	(517)
Result for the period	-
At 29 March 2008	(517)

### 13 Reconciliation of movements in equity shareholders' funds

	29 March 2008 £'000
Opening equity shareholders' funds	483
Result for the financial period	-
Closing equity shareholders' funds	483

### 14 Related party transactions

The company has not identified any transactions which fall to be disclosed under the terms of Financial Reporting Standard Number 8, "Related Party Transactions".

### 15 Ultimate and immediate parent companies

Orb Electrical Steels Limited is the companies immediate parent company, which is registered in England and Wales.

Tata Steel UK Limited ("TSUK"), a company incorporated in England and Wales, is the company's intermediate parent company, and smallest group to consolidate these financial statements. Copies of the report and accounts of TSUK may be obtained from the Secretary, 20 Millbank, London, SW1P 4WY.

Tulip UK Holding No 1 Limited, a company incorporated in England and Wales, is the company's holding parent company in the UK.

Tata Steel Limited ("TSL"), a company incorporated in India, is the ultimate parent company and controlling party. Copies of the report and accounts for TSL may be obtained from its registered office at Bombay House, 24 Homi Mody Street, Mumbai 400 001.