

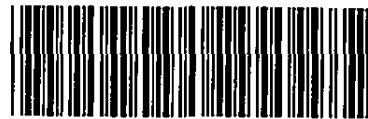
Company Registration No. 3331364

ArcelorMittal Tailored Blanks Birmingham Limited

Annual report and financial statements

for the year ended 31 December 2012

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ArcelorMittal Tailored Blanks Birmingham Limited

Contents	Page
Officers and professional advisers	1
Directors' report	2
Directors' responsibilities statement	4
Independent auditor's report	5
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9

ArcelorMittal Tailored Blanks Birmingham Limited

Officers and Professional advisers

Directors

Philippe Miclotte
Vincent Pairet
Phillippe Baudon

Secretary

Andrew C W Brown

Registered Office

Bridge Street North
Smethwick
West Midlands
B66 2BA

Bankers

BNP Paribas London
10 Harewood Avenue
London
NW1 6AA

Solicitors

Eversheds LLP
BridgeWater Place
Water Lane
Leeds
LS11 5DR

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Birmingham, UK

ArcelorMittal Tailored Blanks Birmingham Limited

Directors' Report

The directors present their annual report on the affairs of the Company, together with the financial statements and auditor's report, for the year ended 31 December 2012

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

Principal Activities

The principal activity of the company is the manufacture of tailored welded blanks and metal products for a range of industrial applications

Business Review

It has been another good year we have made steady progress and there has been an improvement in sales. In terms of sales, we have been able to double our turnover compared to last year. Our business continues to be committed to providing excellent customer service, and this commitment has been fruitful as it has resulted in the company gaining new orders. Costs have increased slightly, but this had been expected as we have been driving to improve the business and planned for growth in 2013. As always, costs remain a challenge, but will continue to be kept under control by tight management systems and a team dedicated to monitoring the situation. As outlined, we have won new business this year and can now look forward to a more secure future.

The company is still operating under the agreed Contract Manufacturing Agreement that was introduced 1st October 2008 by its parent company ArcelorMittal Tailored Blanks NV, the agreement entitles the company to sell all of its stock to its parent company at an agreed transfer price. Transfer pricing is based on the company's cost plus a 1-3 percent mark up, and this will provide guaranteed profits for the company in the future.

Going Concern

ArcelorMittal Tailored Blanks NV has provided a letter of support to the company confirming that they will support the company when needed for a period of 12 months from the date of approval of accounts and will provide an adequate notice period of 12 months before recalling any overdraft facilities. The company does not have any external debt funding.

The expected volumes for 2013 are within budget. There is potential new work and new opportunities arriving in 2014. Continued monitoring of costs will improve the company's profitability. The company is forecast to make a profit in the 12 months following the signed date of accounts.

The shareholders are pleased with the progress of the business and new ventures are being planned. These will lead to growth of the business and possible investment in the future.

Considering the above factors, the directors continue to adopt the going concern basis in preparing the financial statements.

Results and Dividend

The company made a profit after taxation for the year ended 31 December 2012 of £74,166 (2011 - £85,426 Profit). No dividends will be distributed for the year ended 31 December 2012 (2011 - £nil).

Directors

The director who served throughout the year, were as follows:

Philippe Miclotte
Vincent Pairat

Other changes in the director holding office are as follows:

Vincent Pairat (Resigned 01/04/2013)
Philippe Baudon (Appointed 01/04/2013)

ArcelorMittal Tailored Blanks Birmingham Limited

Directors' Report (continued)

Supplier's payment policy

The company's policy, which is also applied by the group, is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment. Trade creditors at 31 December 2012 were equivalent to 26 (2011 - 66) days' purchases, based on the average daily amount invoiced by suppliers during the year.

Auditor

Each of the persons who are directors at the date of approval of this report 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 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 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.

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the board and signed on its behalf by



Philippe Baudon

12 September 2013

ArcelorMittal Tailored Blanks Birmingham Limited

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

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent, 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 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.

Independent Auditor's report to the members of ArcelorMittal Tailored Blanks Birmingham Limited

We have audited the financial statements of ArcelorMittal Tailored Blanks Birmingham Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 19. These financial statements have been prepared under the accounting policies set out therein.

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 director 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 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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31 December 2012 and of its 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

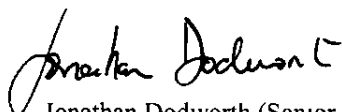
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's report to the members of ArcelorMittal Tailored Blanks Birmingham 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, 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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report



Jonathan Dodworth (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Birmingham, United Kingdom
18 September 2013

ArcelorMittal Tailored Blanks Birmingham Limited
Profit and loss account
For the year ended 31 December 2012

	Note	2012 £	2011 £
Turnover	2	10,464,050	5,155,856
Cost of sales		(9,056,743)	(3,986,672)
Gross profit		1,407,307	1,169,184
Administrative expenses		(1,302,531)	(1,038,028)
Operating profit		104,776	131,156
Finance Charges	5	(7,435)	(19,131)
Profit on ordinary activities before taxation	4	97,341	112,025
Tax on profit on ordinary activities	6	(23,175)	(26,599)
Profit for the financial year after taxation		74,166	85,426

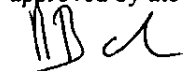
All activities derive from continuing operations

The company has no recognised gains or losses other than the result in each year. Accordingly, no statement of total recognised gains and losses is given.

ArcelorMittal Tailored Blanks Birmingham Limited
Balance Sheet
As at 31 December 2012

	Note	2012 £	2011 £
Fixed assets			
Intangible assets	7	-	-
Tangible assets	8	1,799,219	1,272,574
Total Fixed Assets		1,799,219	1,272,574
Current assets			
Stocks	9	1,052,360	364,342
Debtors	10	1,580,836	780,934
Cash at bank and in hand		4,454	6,208
		2,637,650	1,151,484
Creditors: amounts falling due within one year	11	(1,230,532)	(1,042,858)
Net current assets		1,407,118	108,626
Total assets less current liabilities		3,206,337	1,381,200
Creditors: amounts falling due after more than one year	12	(2,085,076)	(337,080)
Provisions for liabilities	14	(23,365)	(20,390)
Net assets		1,097,896	1,023,730
Capital and reserves			
Called up share capital	15	2,000,000	2,000,000
Profit and loss account	16	(902,104)	(976,270)
Shareholders' funds	18	1,097,896	1,023,730

The financial statements of ArcelorMittal Tailored Blanks Birmingham Limited (registered number 3331364) were approved by the board of directors and authorised for issue on 16 September 2013. They were signed on its behalf by


Philippe Baudon

Director
16 September 2013

ArcelorMittal Tailored Blanks Birmingham Limited

Notes to the financial statements

For the year ended 31 December 2012

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

The financial information has been prepared on a going concern basis, as set out in the Director's report.

The financial statements are prepared under historical cost convention and in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement, which is publicly available.

Intangible Fixed assets

Intangible fixed assets are stated at cost, net of amortization and any impairment provision.

Amortization is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of amortization are as follows:

Computer software 33% per annum

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and for any impairment.

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Plant and machinery	12%, 15% and 20% per annum
Fixtures, fittings, tools and equipment	20% per annum

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. Timing differences are differences between the taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, 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 underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date.

ArcelorMittal Tailored Blanks Birmingham Limited

Notes to the financial statements (continued) For the year ended 31 December 2012

1 Accounting policies (continued)

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate.

Hire purchase and leasing commitments

Assets obtained under finance leases and hire purchase contracts are capitalised at their fair value on acquisition and depreciated over their estimated useful lives. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Operating lease rentals are charged to income in equal annual amounts over the lease term.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs

The company operates a money purchase scheme pension plan. The company contributes a fixed percentage of each employee's salary every year to the plan. This cost is charged straight to the profit and loss account on a yearly basis. The performance of the plan is purely the responsibility of the employee and no liability is charged to the company in the event of poor performance of the fund.

Turnover

Turnover represents amounts derived from the provision of goods which fall within the company's ordinary activities on production of goods from premises of the company. Turnover is recognised when goods are produced and recorded net of trade discounts and Value Added Tax.

2. Turnover

The company operates in one business segment only. The geographical breakdown of turnover by destination is as follows:

	2012 £	2011 £
Europe	-	68
United Kingdom	10,464,050	5,155,788
	<u>10,464,050</u>	<u>5,155,856</u>

3. Staff costs

	2012 £	2011 £
Wages and salaries	818,142	439,860
Social security costs	66,020	48,453
Other pension costs	24,430	18,137
	<u>908,592</u>	<u>506,450</u>

The directors do not receive any emoluments for their services to this company.

ArcelorMittal Tailored Blanks Birmingham Limited

Notes to the financial statements (continued) For the year ended 31 December 2012

Staff costs (continued)

	2012 No.	2011 No.
Average number of persons employed		
Production	28	15

4. Profit on ordinary activities before tax

	2012 £	2011 £
Profit on ordinary activities before tax is after stating:		
Hire of plant and machinery	55,842	38,943
Amortisation	-	73,248
Depreciation - owned assets	349,488	364,719
Fees payable to Companies auditor for - the audit of company financial statements	10,995	12,000
Foreign exchange (profit)/loss	(119,688)	(91,532)
Operating lease rentals	136,380	154,585

5. Finance charges

	2012 £	2011 £
Other interest payable to group companies	(7,435)	(19,131)
Net finance charges	(7,453)	(19,131)

6 Taxation

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows

	2012 £	2011 £
Current tax		
UK corporation tax charge	(19,529)	(66,294)
Tax over provided in prior years	(671)	640
Total current tax	(20,200)	(65,654)
Deferred tax		
Origination and reversal of timing differences	(2,975)	39,055
Tax on profit on ordinary activities	(23,175)	(26,599)

ArcelorMittal Tailored Blanks Birmingham Limited

Notes to the financial statements (continued) For the year ended 31 December 2012

6. Taxation (continued)

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2012	2011
	£	£
Net profit before taxation	97,341	112,025
Tax at 24.5% thereon (2011 26.5%)	(23,849)	(29,687)
Permanently disallowed expenditure	(7,480)	(527)
Timing differences	11,800	(36,080)
Losses carried forward	-	-
Tax over provided in prior years	(671)	640
Current tax charge for the period	(20,200)	(65,654)

Deferred tax on assets and liabilities will be restated at 23% of the timing differences. The company earns its profits primarily in the UK. Therefore the tax rate used for tax on ordinary activities

On the 21st March 2013 The government announced in its budget that the main rate of corporation tax would be reduced by a further 1%. This means from April 2015 the headline rate of corporation tax will be 20%, This will also align the small profits and main rates of corporation tax

Previously On 21st March 2012, the government announced that the main rate of Corporation Tax would be reduced to 23% with effect from 1st April 2013 (further reductions of 1% p a to follow each year so that the rate will be 21% by 1st April 2014). The new tax rates had not been substantively enacted at the balance sheet date and thus are not reflected in the financial statements

ArcelorMittal Tailored Blanks Birmingham Limited

Notes to the financial statements (continued) For the year ended 31 December 2012

7. Intangible fixed assets

	Computer Software Total £
Cost	
At 1 January 2012 and 31 December 2012	219,743
Depreciation	
At 1 January 2012 and December 2012	219,743
Net book value	
At 31 December 2011 and 31 December 2012	-

8. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost			
At 1 January 2012	4,956,989	78,247	5,035,236
Additions	3,165	-	3,165
Assets Under Construction	872,968	-	872,968
At 31 December 2012	5,833,122	78,247	5,911,369
Depreciation			
At 1 January 2012	3,714,321	48,341	3,762,662
Charge for the year	334,297	15,191	349,488
At 31 December 2012	4,048,618	63,532	4,112,150
Net book value			
At 31 December 2012	1,784,504	14,715	1,799,219
At 31 December 2011	1,242,668	29,906	1,272,574

ArcelorMittal Tailored Blanks Birmingham Limited

Notes to the financial statements (continued) For the year ended 31 December 2012

9. Stocks

	2012 £	2011 £
Raw materials	418,760	94,951
Work-in-progress	65,442	23,342
Finished goods and goods for resale	568,158	246,049
	<u>1,052,360</u>	<u>364,342</u>

10. Debtors

	2012 £	2011 £
Amounts owed by group undertakings	1,500,000	721,576
Prepayments and accrued income	65,364	58,705
Tax Recoverable	15,472	-
VAT Receivable	-	653
	<u>1,580,836</u>	<u>780,934</u>

ArcelorMittal Tailored Blanks Birmingham Limited

Notes to the financial statements (continued) For the year ended 31 December 2012

11. Creditors: amounts falling due within one year

	2012 £	2011 £
Trade creditors	204,080	113,021
Amounts owed to group undertakings	446,501	607,735
Social security and other taxes	22,412	15,366
Corporation Tax Payable	-	34,857
VAT Payable	121,565	-
Accruals and deferred income	435,974	271,879
	<u>1,230,532</u>	<u>1,042,858</u>

12. Creditors: amounts falling due after more than one year

	2012 £	2011 £
Amounts owed to group undertakings	2,085,076	337,080
	<u>2,085,076</u>	<u>337,080</u>

ArcelorMittal Tailored Blanks Birmingham Limited

Notes to the financial statements (continued) For the year ended 31 December 2012

13. Financial commitments

The following annual commitments under non-cancellable operating lease are to be paid

	Land and buildings		Other operating leases	
	2012	2011	2012	2011
	£	£	£	£
Leases which expire				
Within one year	122,420	122,420	7,194	-
between two and five years	-	-	-	32,164
	<u>122,420</u>	<u>122,420</u>	<u>7,194</u>	<u>32,164</u>

14. Provisions for liabilities

	2012	2011
	£	£
Deferred tax		
Accelerated capital allowances	23,365	20,390
	<u>23,365</u>	<u>20,390</u>
		Deferred tax
		£
At 1 January 2012		20,390
Charge to Profit and loss account		
-origination and reversal of timing		
differences (note 6)		2,975
At 31 December 2012		<u>23,365</u>

ArcelorMittal Tailored Blanks Birmingham Limited

Notes to the financial statements (continued) For the year ended 31 December 2012

15. Called up share capital

	2012 £	2011 £
Called up, allotted and fully paid 2,000,000 ordinary shares of £1 each	2,000,000	2,000,000
	<u>2,000,000</u>	<u>2,000,000</u>

16. Reserves

	Profit and loss account £
At 1 January 2012	(976,270)
Profit for the year	74,166
At 31 December 2012	<u>(902,104)</u>

17. Related party transactions

Exemption has been claimed under Financial Reporting Standard number 8 regarding the disclosure of group transactions and transactions with associated companies on the basis that the company is a wholly owned subsidiary of a parent who prepares consolidated accounts which are publicly available

18. Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Profit for the financial year	74,166	85,426
Opening shareholders' funds	1,023,730	938,304
Closing shareholders' funds	<u>1,097,896</u>	<u>1,023,730</u>

19. Ultimate parent company

The financial statements of the company are consolidated into the group financial statements of ArcelorMittal Tailored Blanks NV, a company registered in Sluispark Offices, Verlorenbroodstraat 122 b4, 9820 Merelbeke, Belgium. ArcelorMittal Tailored Blanks NV is the smallest group preparing consolidated accounts including this entity for the year ended 31 December 2012.

ArcelorMittal S A is the ultimate controlling party of this company and is the largest group preparing consolidated accounts including this entity for the year ended 31 December 2012.

Copies of the ArcelorMittal S A consolidated financial statements may be obtained from the Company Secretary, ArcelorMittal S A, 19, Avenue de la Liberté, Grand-Duchy of Luxembourg.