

CHESHIRE SALT HOLDINGS LIMITED

**Annual Report and financial statements
for the year ended 31 March 2015**

STRATEGIC REPORT

For the year ended 31 March 2015

The directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The company acts as an intermediate holding company.

The company made a profit after taxation of £nil (2014: £nil). The directors do not propose the payment of a dividend (2014: £nil).

FUTURE OUTLOOK

No changes to the status of the company are planned for the near future.

As referred to in note 1 to the financial statements, the directors have concluded that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The results, financial position and risks of the company are dependent on the results, financial position and risks of its direct and indirect subsidiaries.

By order of the Board



J L Abbotts
Director
22nd May 2015

DIRECTORS' REPORT

For the year ended 31 March 2015

The directors present their annual report and the audited financial statements for the year ended 31 March 2015.

DIRECTORS

The directors who served during the year and up to the date of signing these financial statements were:

J L Abbotts
M J Ashcroft
P P Houghton
L Iravanian
J S Melia
L D Weston (resigned 31 May 2014)
D L Bloomquist (resigned 1 December 2014)
A Runciman (appointed 25 June 2014)

AUDITOR AND STATEMENT OF DISCLOSURE TO THE AUDITOR

Each person who is a director at the date of approval of this report confirms that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- 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 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.

Under section 487 of the Companies Act 2006, Deloitte LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

By order of the Board



J L Abbotts
Director
22nd May 2015

DIRECTORS' RESPONSIBILITIES STATEMENT

For the year ended 31 March 2015

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 company 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 CHESHIRE SALT HOLDINGS LIMITED

We have audited the financial statements of Cheshire Salt Holdings Limited for the year ended 31 March 2015 which comprise the Profit and Loss account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 8. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2015 and of its result 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

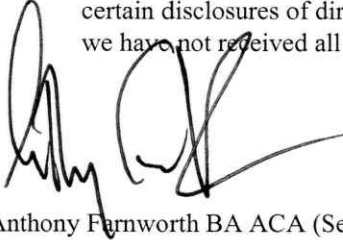
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHESHIRE SALT HOLDINGS LIMITED

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.



Anthony Farnworth BA ACA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Manchester, United Kingdom

29/5/ 2015

BALANCE SHEET
As at 31 March 2015

	Note	2015 £'000	2014 £'000
FIXED ASSETS			
Investments	3	-	-
CURRENT ASSETS			
Debtors	4	2	2
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital	5	140	140
Capital redemption reserve	6	28	28
Share premium account	6	178	178
Profit and loss account	6	(344)	(344)
SHAREHOLDER'S FUNDS			
	6	2	2

The accompanying notes are an integral part of these financial statements.

The financial statements of Cheshire Salt Holdings Limited (registered number 06231428) were approved by the Board of Directors and authorised for issue on 22nd May 2015 and were signed on its behalf by:



J L Abbotts
Director

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 March 2015

1. ACCOUNTING POLICIES

The principal accounting policies, which have been applied consistently throughout the current year and prior year are set out below.

Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the applicable law and United Kingdom accounting policies.

The company has taken advantage of the exemption from preparing consolidated financial statements afforded by section 400 of the Companies Act 2006 because it is a wholly owned subsidiary of Tata Chemicals Europe Holdings Limited which prepares consolidated financial statements which are publicly available. The company is also, on this basis, exempt from the requirement of FRS 1 (revised 1996) to prepare a cash flow statement.

Going concern

The financial statements have been prepared under the historical cost convention and have been prepared in accordance with applicable United Kingdom law and accounting standards.

The performance, financial position and the key risks impacting the company are detailed in the Strategic Report on page 1. The company is a subsidiary of Tata Chemicals Europe Holdings Limited ("TCEHL") and acts as a guarantor and obligor to a banking facilities agreement entered into by TCEHL and certain subsidiaries (together "the subgroup") to manage the subgroup's financing and cash requirements on a pooled basis. As a result of this relationship, the going concern basis of preparation of the financial statements is inextricably linked with the other companies in the subgroup. Based on the strong relationship between the company and TCEHL, the directors of this company are satisfied that TCEHL, being the parent of the subgroup, will continue to manage the subgroup's financial position on this basis, and as such the directors have considered the financial position of the TCEHL subgroup.

As at 31 March 2015, the group was funded by a £140,000,000 bridging facility provided by Standard Chartered Bank ("SCB"), comprising a £120,000,000 term loan and a £20,000,000 revolving credit facility. This bridging facility is repayable on 22 November 2015. The directors have held discussions with SCB and it is the expectation of both parties that the bridging facility will be replaced by a longer-term bank facility on or prior to the repayment date.

The directors have prepared forecasts of the group's profitability and cash generation for the 12 months from the date of the Auditor's Report (the "forecasts"), taking into account the sensitivity of business performance to reasonably possible changes in market conditions and as a result of the current economic climate. These forecasts indicate that the group's facilities should be sufficient during the year.

In making their assessment the directors have also considered the net liability position of the group. The majority of this deficit arises due to the pension liability associated with one of the group's defined benefit schemes. There is a deficit recovery funding plan in place for the pension scheme and the expected cash flows have been factored into the forecasts.

After reviewing the forecasts, considering reasonably possible uncertainties and making such other enquiries as were necessary, the directors have formed a judgment, at the time of approving the financial statements, that there is a reasonable expectation that the company and group have adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Fixed asset investments

Fixed asset investments are stated at cost less provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2015

2. PROFIT AND LOSS ACCOUNT

The company did not trade during the current year or previous year. Accordingly, no profit and loss account is presented. There have been no other recognised gains and losses or movements in shareholder's funds in the current year and therefore no separate statement of total recognised gains and losses has been prepared.

There were no employees other than the directors during the current year and preceding year. No director received any remuneration for services to the company during the year (2014: £nil).

Auditor's remuneration for audit services for the year has been borne by a fellow group undertaking (2014: same). No remuneration has been paid in relation to non-audit services (2014: £nil).

3. INVESTMENTS

Cost and net book value	Shares in subsidiary undertakings £'000
At 1 April 2014 and 31 March 2015	-

The company has the following principal subsidiaries:

Company	County of incorporation	Principal activity	% of ordinary share capital held
Cheshire Salt Limited	England	Holding company	100
New Cheshire Salt Works Limited	England	Manufacture and sale of salt products	100*
British Salt Limited	England	Manufacture and sale of salt products	100*

* Indirect shareholding

To avoid a statement of excessive length, details of investments which are not significant have been omitted.

4. DEBTORS

	2015 £'000	2014 £'000
Amounts falling due within one year:		
Amounts due from group undertakings	2	2

5. CALLED-UP SHARE CAPITAL

	2015 £'000	2014 £'000
Allotted, called-up and fully paid		
13,964,137 ordinary shares of 1p each	140	140

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 March 2015

6. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total £'000
At 1 April 2014	140	178	28	(344)	2
Result for the year	-	-	-	-	-
At 31 March 2015	140	178	28	(344)	2

7. CONTINGENT LIABILITIES

The company, together with certain of its fellow group undertakings, has guaranteed the amounts borrowed under group banking facilities. At 31 March 2015 the amount guaranteed was £140,000,000 (2014: £140,000,000).

8. ULTIMATE CONTROLLING PARTY

The company's immediate parent undertaking is Tata Chemicals Europe Holdings Limited, a company incorporated in England.

The smallest group of companies of which the company is a member that produces consolidated financial statements is Tata Chemicals Europe Holdings Limited. Copies of the financial statements are available from the Registrar of Companies, Crown Way, Cardiff.

The ultimate parent company in the year to 31 March 2015 was Tata Chemicals Limited, a company incorporated in India. The largest group in which the results of the company are consolidated is that of Tata Chemicals Limited. Copies of the financial statements are available from the Company Secretary, Tata Chemicals Limited, Bombay House, Mumbai, India.

The company has taken advantage of the exemption in Financial Reporting Standard 8 "Related party disclosures" for wholly owned subsidiaries and has not disclosed transactions within the Homefield Pvt UK Limited group.