

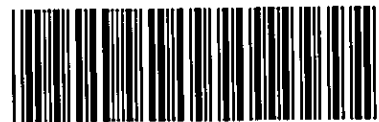
**CORUS FINANCE LIMITED
(Formerly CORUS FINANCE PLC)**

REPORT AND ACCOUNTS

FOR THE FINANCIAL PERIOD

ENDED 31 MARCH 2008

FRIDAY



L6LRA90A

LD6

08/05/2009

108

COMPANIES HOUSE

Registered No: 3731221

Corus Finance Limited Report and Accounts 2008

	Pages
Directors	2
Directors' report	3 - 5
Statement of directors' responsibilities in relation to the financial statements	6
Independent auditors report	7 - 8
Profit and loss account	9
Balance sheet	10
Notes to the financial statements	11 - 16

Corus Finance Limited Report and Accounts 2008

Directors

D M Lloyd	(resigned 1 January 2008)
D K Grierson	(resigned 19 July 2007 and re-appointed 16 October 2007)
P R Strickland	
S A Hasan	(appointed 19 July 2007)

Secretary

A L Scandrett

Company Number

3731221

Registered Office

30 Millbank
London
SW1P 4 WY

Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Corus Finance Limited Report and Accounts 2008

Directors' report for the period ended 31 March 2008

The directors present their report and the audited accounts for the period ended 31 March 2008.

On 6 July 2007 the Company changed its name from Corus Finance plc to Corus Finance Limited.

Business review and principal activities

The principal activity of the Company is that of a finance holding company for listed debt previously within the Tata Steel UK Limited (TSUK) Group.

On 31 August 2007, the Company completed the early repayment of the £200m bond with the proceeds from the repayment of the loan to Corus UK Limited. The Company became dormant from this date. No change in this status is envisaged in the foreseeable future.

Up to the date of repayment the Company received interest in respect of loans to its parent company, which it paid out, in full, as interest on its debenture stock and bonds. No change in the Company's activities in the foreseeable future is envisaged.

The Company's directors do not believe that key performance indicators (or discussion thereof) are appropriate for an understanding of the development, performance or position of the Company. The performance of Tata Steel UK Limited, which includes the Company, is discussed in its Annual Report & Accounts, which does not form part of this report.

Directors' indemnity

The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the Company in respect of liabilities they may incur in the discharge of their duties or in their exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted by them as officers or employees of the Company.

Accounting reference date

On 4 December 2007 the Company changed its accounting reference date from December to March to align with its ultimate parent company Tata Steel Limited. These financial statements have therefore been prepared for the 15 month period to 31 March 2008. All comparative information shown is for the 12 month period to 30 December 2006.

Principal risks and uncertainties

Group risks are discussed in the Tata Steel UK Limited Report & Accounts, which does not form part of this report.

Environment

The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the Company's activities. The Company operates in accordance with Tata Steel UK Limited policies. Activities designed to minimise the Company's impact on the environment include improving our energy use efficiency and reducing the production of waste (both hazardous and non-hazardous).

Corus Finance Limited Report and Accounts 2008

Directors' Report for the period ended 31 March 2008 (continued)

Employees

The Company has no employees, as shown in Note 2 of this report on page 12.

Directors

The current directors and those who held office during the period are listed on page 2.

Results and dividends

The loss for the period ended 31 March 2008 was £7,051 (2006: £nil).

No dividend was paid during the period and the Directors do not recommend the payment of a final dividend (2006: £nil).

Creditors payment policy and practice

Since operating expenses are borne by the parent undertaking, the Company does not have any trade creditors. It is therefore not appropriate to make a statement of its policy and practice on the payment of creditors under the Companies Act 1985 (Directors' Report) (Statement of Payment Practice) Regulations 1997.

Going Concern

As at 31 March 2008, the Company held significant receivable balances from other Group companies within the Tata Steel UK Limited group, including Corus UK Limited, and is dependent upon those companies settling their debts in part or in full when due or on demand to remain in a net asset position. In light of the current economic climate Tata Steel UK Limited is in ongoing negotiations with its lending banks to reset certain financial covenants within its Senior Facilities Agreement, to which Corus UK Limited is a guarantor. To the extent negotiations are not concluded successfully and the guarantee is exercised, the facility would become repayable on demand following instruction by the Majority Lenders. Although the current view is that these negotiations will be concluded successfully, this represents a material uncertainty that may cast significant doubt on that the Company's ability to continue as a going concern, which in turn may impact the Company. However, the directors believe that preparing the accounts on the going concern basis is appropriate. Further details are given in Note 1.

Statement on 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 relevant 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.

Corus Finance Limited Report and Accounts 2008

Directors' Report for the period ended 31 March 2008 (continued)

Auditors

PricewaterhouseCoopers LLP will not be reappointed as auditors and a resolution will be proposed to appoint Deloitte & LLP as auditors to the Company. Deloitte are the auditors of the ultimate parent company, Tata Steel Limited.

By order of the Board



A L Scandrett
Secretary
7 May 2009

30 Millbank
London
SW1P 4WY

Corus Finance Limited Report and Accounts 2008

Statement of directors' responsibilities in relation to 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 period. 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;
- 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 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.

By order of the board



A L Scandrett
Secretary

7 May 2009

Corus Finance Limited Report and Accounts 2008

Independent auditors' report to the members of Corus Finance Limited

We have audited the financial statements of Corus Finance Limited for the period ended 31 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.

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.

Corus Finance Limited Report and Accounts 2008

Independent auditors' report to the members of Corus Finance Limited (continued)

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 31 March 2008 and of its result for the 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.

Emphasis of Matter – Going Concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the Company's ability to continue as a going concern. As at 31 March 2008, the Company held significant receivable balances from other Group companies within the Tata Steel UK Limited group, including Corus UK Limited, and is dependent upon those companies settling their debts in part or in full when due or on demand to remain in a net asset position. Tata Steel UK Limited is in negotiations with its lending banks to reset certain financial covenants within its Senior Facilities Agreement, to which Corus UK Limited is a guarantor. To the extent negotiations are not concluded successfully and the guarantee is exercised, the facility would become repayable on demand which may limit the ability of the other Group companies to settle their liabilities, including those due to the Company. This represents a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not include any adjustments that would be necessary if the Company was unable to continue as a going concern.

PricewaterhouseCoopers LLP.

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
London
8 May 2009

Corus Finance Limited Report and Accounts 2008

Profit and loss account for the period ended 31 March 2008

	Note	15 months to 31 March 2008 £	12 months to 30 December 2006 £
Administrative expenses	4	-	-
Operating result on ordinary activities before interest		-	-
Interest receivable and similar income	5	10,381,230	104,095,091
Interest payable and similar charges	5	(10,381,230)	(104,095,091)
Result on ordinary activities before taxation		-	-
Taxation on ordinary activities	6	(7,051)	-
Loss for the period		(7,051)	-

The Company has no recognised gains and losses other than the results above and therefore no separate statement of total recognised gains and losses has been presented.

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

All results are derived from continuing operations.

The notes on pages 11 to 16 form part of these accounts.

Corus Finance Limited Report and Accounts 2008

Balance sheet as at 31 March 2008

	Note	31 March 2008 £	30 December 2006 £
Non current assets			
Loans to parent company	7	-	199,595,808
		-	199,595,808
Current assets			
Debtors	8	26,249	8,318,232
Current liabilities			
Creditors: amounts falling due within one year	9	-	(8,284,932)
Net current assets		26,249	33,300
Total assets less current liabilities		26,249	199,629,108
Creditors: amounts falling due after more than one year	10	-	(199,595,808)
		26,249	33,300
Capital and reserves			
Called up share capital	12	50,000	50,000
Profit and loss account		(23,751)	(16,700)
Equity shareholders' funds	13	26,249	33,300

These accounts on pages 9 to 16 were approved by the Board on 7 May 2009 and were signed on its behalf by:



Mr P R Strickland
Director

The notes on pages 11 to 16 form part of these accounts.

Corus Finance Limited Report and Accounts 2008

Notes to the accounts

1. Principal Accounting Policies

(i) Basis of preparation

The financial statements are prepared in accordance with applicable accounting standards. The financial statements have been prepared on the going concern basis, which assumes that for the foreseeable future the Company will continue to be able to realise its assets and meet its liabilities as they fall due.

At 31 March 2008, the Company has net assets totalling £26,249, which includes a receivable balance of £26,249 due from Corus UK Limited, and is dependent upon that company settling its debts in part or in full when due or on demand to remain in a net asset position. In preparing their assessment of going concern the directors have assumed that the £26,249 receivable balance with Corus UK Limited can be recovered in full and on demand. Corus UK Limited is a guarantor within Tata Steel UK Limited's Senior Facilities Agreement. In light of the current economic climate, Tata Steel UK Limited is in ongoing negotiations with its lending banks to reset certain financial covenants within its Senior Facilities Agreement and hence remove the potential for future default. Although the current view is that these negotiations will be concluded successfully, to the extent they are not and the guarantee is exercised, the facility would become repayable on demand following instruction by the Majority Lenders.

The directors recognise that the matter referred to above indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, they believe that it remains appropriate for the financial statements to be prepared on a going concern basis; consequently the financial statements do not include adjustments that would be necessary if the Company was unable to continue as a going concern.

The accounts have been prepared for the 15 month period to 31 March 2008 with comparative information shown for the 12 month period to 30 December 2006.

(ii) Financial instruments

Interest bearing bank loans, overdrafts and issued debt were initially recorded as the proceeds received, net of direct issue costs. These borrowings are subsequently stated at amortised cost.

(iii) Cash flow statement

In accordance with the exemption allowed by paragraph 5(a) of FRS 1 (Revised 1996), a cash flow statement for the Company has not been provided.

(iv) Related party disclosures

In accordance with the exemption allowed by paragraph 3(c) of FRS 8, no disclosure is made of transactions with other member companies of the Tata Steel UK Limited Group or investees of the Group qualifying as related parties.

Corus Finance Limited Report and Accounts 2008

Notes to the Accounts

1. Principal Accounting Policies (continued)

(v) Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into sterling at the quoted rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the rate of exchange on the date of the transaction.

(vi) Financing items

Discounts or premiums and expenses on the issue of debt securities are amortised over the term of the related security and included within interest expense. Unamortised amounts are shown in the balance sheet as part of the outstanding balance of the related security. Premiums payable on early redemptions of debt securities, in lieu of future interest costs, are written off when paid.

(vii) Interest rate risk

The Company hedges its interest rate risk by entering into equal and opposite agreements with Corus UK Limited such that no interest rate exposure arises.

(ix) Use of estimates

The preparation of accounts in line with generally accepted accounting principles requires management to make estimates and assumptions that affect the:

- (i) reported amounts of assets and liabilities;
- (ii) disclosure of contingent assets and liabilities at the date of the accounts; and
- (iii) reported amounts of income and expenses during the reporting period.

Actual results could differ from those estimates. The most significant techniques for estimation are described in the accounting policies above.

2. Employees

The Company has no employees (2006: nil).

3. Directors' emoluments

No directors received any emoluments during the period in respect of their services to the Company (2006: £nil).

4. Administrative expenses

The 2008 and 2006 audit fees for Corus Finance Limited were borne by its parent company, Corus UK Limited. The Company has no other administrative expenses (2006: £nil).

Corus Finance Limited Report and Accounts 2008

Notes to the Accounts

5. Interest payable and receivable

	15 months to 31 March 2008 £	12 months to 30 December 2006 £
Interest payable on debenture stock and bonds	(8,889,512)	(16,591,286)
Premium paid on redemption of 6.75% Debenture Stock	-	(87,206,302)
Premium paid on redemption of £200m 6.75% Bond	(1,028,000)	-
Amortisation of issue costs on Debenture Stock and bonds	(463,718)	(297,503)
Interest payable and similar charges	(10,381,230)	(104,095,091)
Interest receivable from parent company	8,889,512	16,591,286
Premium paid on redemption of 6.75% Debenture Stock recharged to parent company	-	87,206,302
Premium paid on redemption of £200m 6.75% Bond recharged to parent company	1,028,000	-
Amortisation of issue costs recharged to parent company	463,718	297,503
Interest receivable and similar income	10,381,230	104,095,091

On 31 August 2007 the £200,000,000 6.75% Bonds due 2008 were redeemed in full. The premium on redemption incurred in repurchasing the bonds was £1,028,000.

6. Taxation

	15 months to 31 March 2008 £	12 months to 30 December 2006 £
Current tax charge	7,051	-
The current tax reconciles with the standard rate of corporation tax as follows:		
Tax on result at standard rate 30%	-	-
Prior period adjustment	7,051	
Group relief claim for nil payment	(3,189,218)	(31,378,224)
Permanent differences	3,189,218	31,378,224
	7,051	-

Corus Finance Limited Report and Accounts 2008

Notes to the Accounts

7. Loans to parent company

	31 March 2008 £	30 December 2006 £
Cost at beginning of period	199,595,808	349,298,305
Additions	463,718	297,503
Disposals	(200,059,526)	(150,000,000)
Cost at end of period	-	199,595,808

The intercompany loan to the parent was repaid on 31 August 2007. The proceeds of which were used to repay the £200m bonds due 2008 on the same day, as described below in Note 10.

8. Debtors

	31 March 2008 £	30 December 2006 £
Interest receivable from parent company	-	8,284,932
Amounts owed from parent company	26,249	33,300
	26,249	8,318,232

9. Creditors: amounts falling due within one year

	31 March 2008 £	30 December 2006 £
Interest payable	-	8,284,932
	-	8,284,932

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

	31 March 2008 £	30 December 2006 £
£200,000,000 6.75% Bonds 2008	-	199,595,808
	-	199,595,808

On 31 August 2007 the Company completed the early repayment of the £200m 6.75% Bonds due 2008. The total repayment of £205m included accrued interest and a premium on redemption of £1,028,000 which has been charged to the profit and loss in the period (see Note 5).

Corus Finance Limited Report and Accounts 2008

Notes to the Accounts

11. Financial instruments

Currency risk

The Company's policy is to hedge its foreign currency exposure arising on its financial liabilities by entering into an equal and opposite agreement with Corus UK Limited such that no currency exposure arises.

As at the period end there were no net currency exposures (2006: £nil).

Interest rate risk

Prior to the repayment of the external borrowings, the Company's policy was to hedge its interest rate exposure arising on its financial liabilities by entering into equal and opposite agreements with Corus UK Limited such that no interest rate exposure rises.

At the period end and throughout the period, interest payable matched interest receivable such that no unhedged exposure arose (2006: £nil).

Liquidity risk

The Company is not exposed to any liquidity risks. Interest costs and other charges on the Company's borrowings are recharged to the parent company, Corus UK Limited.

Short-term debtors and creditors, other than loan payables and loan receivables, have been excluded from all of the following disclosures.

Maturity analysis

The maturity of borrowings is as follows:

	31 March 2008 £	30 December 2006 £
Less than one year	-	-
Between one and two years	-	199,595,808
	-	199,595,808

Fair values

The following table provides a comparison of carrying values and the fair values of the Company's financial assets and financial liabilities. Fair values are based on quoted market values.

	Book Value 31 March 2008 £	Fair Value 31 March 2008 £	Book Value 30 December 2006 £	Fair Value 30 December 2006 £
Primary financial assets and liabilities				
Investments	-	-	199,595,808	202,674,000
Borrowings	-	-	(199,595,808)	(202,674,000)
	-	-	-	-

Corus Finance Limited Report and Accounts 2008

Notes to the Accounts

11. Financial instruments (continued)

Given the Company's policy on hedging interest rate risks such that terms on borrowings and receivables match, the fair value of the investments is deemed to equate to the fair value of the borrowings.

Hedging

The Company has no unrecognised gains and losses or deferred gains and losses and does not trade in financial instruments.

12. Called up share capital

The share capital of the Company is shown below:

	31 March 2008 £	30 December 2006 £
Authorised		
50,000 ordinary shares of £1 each	50,000	50,000
Allotted, called up and fully paid		
50,000 ordinary shares of £1 each	50,000	50,000

13. Reconciliation of movement in shareholders' funds

	31 March 2008 £	30 December 2006 £
Opening shareholders' funds	33,300	33,300
Loss for the period	(7,051)	-
Closing shareholders' funds	26,249	33,300

14. Ultimate holding company

The Company is a wholly owned subsidiary of Corus UK Limited, a company registered in England and Wales. Tata Steel UK Limited is the intermediate holding company, which is registered in England and Wales, and smallest group to consolidate these financial statements.

The ultimate parent company and ultimate controlling party is Tata Steel Limited, which is registered in India.

Copies of the Report & Accounts for Tata Steel UK Limited may be obtained from the Secretary, 30 Millbank, London, SW1P 4WY.