

CORUS LARGE DIAMETER PIPES LIMITED

REPORT AND ACCOUNTS

FOR THE FINANCIAL YEAR

ENDING 1 JANUARY 2005

Registered No. 2800358



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Corus Large Diameter Pipes Limited

Report and Accounts for the year ended 1 January 2005

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Corus Large Diameter Pipes Limited

Directors

British Steel Directors (Nominees) Limited

Mr D Glover

Mr D Vine

Mr R D Thomas

Secretary

Mrs A L Scandrett

Registered office

30 Millbank

London

SW1P 4WY

Corus Large Diameter Pipes Limited

Directors' Report for the year ending 1 January 2005

The directors present their report and the balance sheet for the financial year ending 1 January 2005.

Principal activity, review of business and future developments

Since 27 August 2002, the principal activity of the Company is that of financial intermediary in the Corus group structure. The company has not traded since 31 March 2000.

No change in the Company's activities in the foreseeable future is envisaged.

Directors & directors' interests

The directors of the Company at 1 January 2005 and who held office during the year, are listed on page 2.

The interests of the directors in the ordinary shares of Corus Group plc, the Company's ultimate holding company, were:

	3 Jan 2004 Number	Acquired	1 Jan 2005 Number
D Glover	267	-	267
R D Thomas	41,233	3,505	44,738
D Vine	5,845	-	5,845

The interest of the directors in options to subscribe for ordinary shares of Corus Group plc, the company's ultimate holding company were:

	3 Jan 2004 Number	Granted Number	Lapsed/ Exercised Number	Rebasing Number	1 Jan 2005 Number
D Glover	165,715*	-	-	-	165,715
R D Thomas	193,155*	8,917	23,378	-	178,695
D Vine	211,828*	6,866	-	-	218,694

*Following an independent accountants valuation in respect of the placing and open offer in December 2003, the aggregate number of options outstanding at 3 January 2004 have been restated to reflect minor rounding adjustments. As a result Mr D Glover's option holding has reduced by 2 shares, Mr R D Thomas' option holding has reduced by 1 share and Mr D Vine's option holding has increased by 2 shares.

The Company's Register of Directors' interests which is open to inspection contains full details of directors' shareholdings and options to subscribe.

Corus Large Diameter Pipes Limited

Directors' Report for the year ending 1 January 2005

Directors & directors' interests (continued)

The directors had no interest, as defined by the Companies Act 1985, in the shares of any other member of the group during the year covered by these financial statements.

Results and dividends

The Company has made neither profit nor loss during the year.

By order of the Board



**A L Scandrett
Secretary**

22 April 2005

30 Millbank
London
SW1P 4WY

Corus Large Diameter Pipes Limited

Balance Sheet as at 1 January 2005

	Notes	1 January 2005 £	3 January 2004 £
Current assets			
Debtors	3	<u>72,742,089</u>	<u>72,742,089</u>
Net current assets		<u>72,742,089</u>	<u>72,742,089</u>
Total assets less current liabilities		<u>72,742,089</u>	<u>72,742,089</u>
Capital and reserves			
Called up share capital	4	42	42
Share Premium Account		79,501,994	79,501,994
Profit and loss account	5	<u>(6,759,947)</u>	<u>(6,759,947)</u>
Shareholders' funds (equity interests)	6	<u>72,742,089</u>	<u>72,742,089</u>

- (a) For the financial year ended 1 January 2005 the company was entitled to exemption under section 249AA(1) of the Companies Act 1985.
- (b) Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985.
- (c) The directors acknowledge their responsibility for:
- (i) ensuring the company keeps accounting records which comply with section 221; and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The accounts on pages 5 to 8 were approved by the Board on 22 April 2005 and were signed on its behalf by:-


D Vine
Director

The notes on pages 6 to 8 form part of these accounts.

Corus Large Diameter Pipes Limited

Notes to the accounts for the year ending 1 January 2005

1. Principal accounting policies

The financial statements have been prepared on a going concern basis, in accordance with the Companies' Act 1985 and applicable Accounting Standards in the UK. The more important accounting policies, which have been applied consistently, are set out below.

i. Basis of accounting

The accounts are prepared in accordance with the historical cost convention.

ii Cash Flow Statement

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

iii. Related Party Disclosures

In accordance with the exemption allowed by paragraph 3(c) of Financial Reporting Standard 8, no disclosure is made of transactions with other member companies of the Corus Group or investees of the Group qualifying as related parties.

2. Directors' emoluments and employees

The Company has no employees.

No Director received any remuneration during the period in respect of their services to the company (year ending 3 January 2004: £nil)

Corus Large Diameter Pipes Limited

Notes to the accounts for the year ending 1 January 2005

3. Debtors

	1 January 2005 £	3 January 2004 £
Amounts falling due within one year:		
Amounts owed by parent undertaking	<u>72,742,089</u>	<u>72,742,089</u>
	<u>72,742,089</u>	<u>72,742,089</u>

The amounts falling due from the parent company are free of interest and no date has been fixed for the discharge of the debt.

4. Called up share capital

	1 January 2005 £	3 January 2004 £
Authorised:		
1,000 Deferred Shares of £1 each	1,000	1,000
20 "A" Ordinary Shares of €0.51 each	9	9
80 "B" Ordinary Shares of €0.51 each	<u>35</u>	<u>35</u>
Total	<u>1,044</u>	<u>1,044</u>
Allotted and called up:		
2 Deferred Shares of £1 each	2	2
11 "A" Ordinary Shares of €0.51 each	5	5
80 "B" Ordinary Shares of €0.51 each	<u>35</u>	<u>35</u>
	<u>42</u>	<u>42</u>

Corus Large Diameter Pipes Limited

Notes to the accounts for the year ending 1 January 2005

5. Share Premium Account and Reserves

	Share Premium Account £	Profit and Loss Account £	Total £
At 3 January 2004	<u>79,501,994</u>	<u>(6,759,947)</u>	<u>72,742,047</u>
At 1 January 2005	<u>79,501,994</u>	<u>(6,759,947)</u>	<u>72,742,047</u>

6. Reconciliation of movement in shareholders' funds

	1 January 2005 £	3 January 2004 £
Shareholders' funds at beginning of period	72,742,047	72,742,047
Shareholders' funds at end of period	<u>72,742,047</u>	<u>72,742,047</u>

7. Ultimate holding company

The Company is a subsidiary of British Steel International BV which is registered in the Netherlands. The ultimate parent company and ultimate controlling party is Corus Group plc which is the largest Group to consolidate these financial statements. Copies of Corus Group plc's report and accounts may be obtained from The Secretary, Corus Group plc, 30 Millbank, London, SW1P 4WY.