PACIFIC NUCLEAR TRANSPORT LIMITED

Registered No. 1228109

ANNUAL REPORT AND ACCOUNTS

31st March 2004

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DIRECTORS' REPORT

The Directors present their report and accounts for the year ended 31 March 2004.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £1,099,000 (2003: £863,000).

The Directors recommend a final dividend of £1,100,000 (2003: £1,500,000).

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The Company's principal activities during the year continued to be the transport of nuclear materials between Japan and Europe.

The Company's trading income for 2003/2004 was derived mainly from the provision of transport services for MOX fuel and HLW between Japan and Europe, accounting for 74 % of total turnover (2002/03: 73%). Income from Flask hire, Decommissioning and miscellaneous transport services represented the remaining 26% (2002/03: 27%).

PNTL vessels completed 2 voyages during the year, shipping 11 MTR spent fuel flasks and delivered HLW 8 and HLW 9 (11 flasks).

The Company's subsidiary undertaking, Seabird KK did not trade during the year.

FUTURE DEVELOPMENTS

A major capital expenditure programme for the purchase of new flasks for MOX is continuing to be undertaken.

DIRECTORS

The Directors who served during the year were as follows:

T Kishida	(appointed 16 July 2003)
D Bonser	(appointed 18 December 2003)
B Lenail	
Capt. M L Miller	
J J R Rycroft	
M G Robinson	
T Yokoi	
M D Davies	(appointed 16 July 2003)
H Osada	(resigned 16 July 2003)
C W Pryor	(resigned 30 September 2003)
S M Price	(resigned 16 July 2003)

There are no Directors' interests requiring disclosure under the Companies Act 1985.

DONATIONS

There were no political donations made in the year. Charitable donations were £2,000 (2003: £Nil).

AUDITORS

A resolution to re-appoint Ernst & Young LLP as the company auditor will be put at the forthcoming Annual General Meeting.

By order of the Board

A J Shuttleworth
Company Secretary
15 July 2004

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the Directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the Group and of the profit or loss of the Group for that period. In preparing those accounts, 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 accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that the accounts comply with the above requirements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT
to the members of Pacific Nuclear Transport Limited

We have audited the group's accounts for the year ended 31 March 2004 which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Total Recognised Gains and Losses, Group Balance Sheet, Parent Balance Sheet, Consolidated Cash Flow Statement and the related notes 1 to 23. These accounts have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' 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 auditors
As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the accounts, if 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 transactions with the group 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 United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the group'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 accounts 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 accounts.

Opinion
In our opinion the accounts give a true and fair view of the state of affairs of the company and of the group as at 31 March 2004 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Manchester

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CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the year ended 31 March 2004

	Notes	2004 £000	2003 £000
TURNOVER	2	**17,693**	18,548
Net operating costs and expenses	3	**(17,559)**	(18,896)
OPERATING PROFIT / (LOSS)		**134**	(348)
Interest receivable and similar income	6	**974**	1,220
Interest payable and similar charges	7	**(6)**	(4)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**1,102**	868
Tax on profit on ordinary activities	8	**(3)**	(5)
PROFIT FOR THE FINANCIAL YEAR		**1,099**	863
Dividends paid and proposed	9	**(1,100)**	(1,500)
RETAINED LOSS FOR THE FINANCIAL YEAR	17 & 18	**(1)**	(637)

CONSOLIDATED
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the year ended 31 March 2004

There are no recognised gains other than the profit for the year of £1,099,000 (2003: £863,000).

BALANCE SHEETS
at 31 March 2004

		Group		Parent	
		2004	2003	**2004**	2003
	Notes	**£000**	£000	**£000**	£000
FIXED ASSETS					
Tangible assets	10	**76,778**	77,772	**76,778**	77,772
Investments	11	**-**	-	**62**	62
		76,778	77,772	**76,840**	77,834
CURRENT ASSETS					
Debtors	12	**2,034**	1,721	**2,034**	1,721
Investments (short term deposits)		**8,027**	30,682	**8,027**	30,682
Cash at bank and in hand		**321**	179	**264**	122
		10,382	32,582	**10,325**	32,525
CREDITORS: Amounts falling due within one year	13	**(11,511)**	(13,178)	**(11,511)**	(13,178)
NET CURRENT (LIABILITIES) / ASSETS		**(1,129)**	19,404	**(1,186)**	19,347
TOTAL ASSETS LESS CURRENT LIABILITIES		**75,649**	97,176	**75,654**	97,181
CREDITORS: Amounts falling due after more than one year	14	**(43,720)**	(63,735)	**(43,720)**	(63,735)
PROVISIONS FOR LIABILITIES AND CHARGES	15	**(27,620)**	(29,131)	**(27,620)**	(29,131)
NET ASSETS		**4,309**	4,310	**4,314**	4,315
CAPITAL AND RESERVES					
Called up share capital	16	**2,000**	2,000	**2,000**	2,000
Profit and loss account	17	**2,309**	2,310	**2,314**	2,315
SHAREHOLDERS' FUNDS – EQUITY	18	**4,309**	4,310	**4,314**	4,315

M D Davies
for and on behalf of the
Board of Directors
15 July 2004

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 March 2004

	Notes	**2004 £000**	2003 £000
Net cash (outflow) / inflow from operating activities	19a	**(14,098)**	25,524
Returns on investment and servicing of finance	19b	**1,107**	1,094
Capital expenditure and financial investment	19b	**(8,022)**	(11,960)
Equity dividends paid	19b	**(1,500)**	(1,000)
Net cash (outflow) / inflow before use of liquid resources and financing		**(22,513)**	13,658
Management of liquid resources	19b	**22,655**	(13,782)
Increase / (decrease) in cash in year	19d	**142**	(124)

NOTES TO THE ACCOUNTS
at 31 March 2004

1. **ACCOUNTING POLICIES**

Accounting convention
The accounts are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

Group accounts
The consolidated accounts include the accounts of Pacific Nuclear Transport Limited and its subsidiary company Seabird KK, both of which are made up to 31 March. No profit and loss account is presented for Pacific Nuclear Transport Limited as permitted by section 230 of the Companies Act 1985.

Tangible fixed assets
Tangible fixed assets are stated in the balance sheet at cost (including decontamination and disposal costs, where appropriate) less accumulated depreciation. The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. Accumulated depreciation includes additional charges made where necessary to reflect impairment in values. Assets in the course of construction are stated at cost and not depreciated until brought into commission. Depreciation is calculated to write off the historical cost less residual value of assets evenly over their useful lives of between 5 and 10 years.

Investments
Fixed asset investments are shown at cost less provision for impairment in value. Current asset investments are shown at the lower of cost and estimated net realisable value.

Deferred taxation
Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the following exception:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted.

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

Liquid Resources
Liquid resources comprise current asset investments and short term deposits excluding deposits repayable by demand.

NOTES TO THE ACCOUNTS (continued)
at 31 March 2004

1. ACCOUNTING POLICIES (continued)

Flask decontamination and disposal provisions

Provisions are made for the costs of decontamination and disposal of flasks. Provisions are recognised in full and the costs are capitalised as part of the costs of the asset and depreciated accordingly. To the extent that costs are recoverable from third parties, they are treated as residual values of the assets concerned and depreciation is adjusted accordingly. Changes in estimates are treated as adjustments to the assets concerned. The provisions are stated in the balance sheet at current price levels discounted at an appropriate real rate of return to take into account the timing of the payments. Each year the financing charges in the profit and loss account include a 'top-up' charge to restate these provisions to current price levels. To the extent that this charge is recoverable from customers, it is capitalised.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Exchange differences are taken to the profit and loss account.

The accounts of overseas subsidiary undertakings are translated at the rate of exchange ruling at the balance sheet date. The exchange difference arising on the retranslation of opening net assets is taken to reserves. All other translation differences are taken to profit and loss account.

Pensions

The Company participates in two industry wide defined benefit pension schemes, both of which require contributions to be made to separately administered funds. Contributions to these funds are charged to the profit and loss account so as to spread the cost of pensions over the working lives within the company. The regular cost is attributed to individual years using the projected unit credit method. Variations in pension costs, which are identified as a result of actuarial valuations, are amortised over the average expected remaining working lives of employees in proportion to their expected payroll costs, or by discrete annual payments as recommended by the Trustees. Differences between amounts funded and the amounts charged in the profit and loss account are treated as either provisions or prepayments in the balance sheet.

The Company also participates in two industry wide money purchase pension schemes which requires contributions to be made to a separately administered fund. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2. TURNOVER

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties.

Turnover is attributable to two main activities, the transport of nuclear materials between Japan and Europe and secondly decommissioning and related services. Turnover and operating profit materially arises from sources and destinations in the UK.

NOTES TO THE ACCOUNTS (continued)
at 31 March 2004

3. NET OPERATING COSTS AND EXPENSES

Net operating costs and expenses include:

	2004 £000	2003 £000
Employee costs (see note 4)	**5,722**	6,337
Depreciation – owned fixed assets	**4,495**	5,030
Auditors' remuneration - audit services	**9**	6
Directors' emoluments (see note 5)	**20**	19
Other charges	**7,313**	7,504
	17,559	18,896

4. EMPLOYEE INFORMATION (including Executive Directors)

The average weekly number of employees during the year was as follows:

	2004 No.	2003 No.
Officers and crew	**142**	188

Employee costs during the year were as follows:

	2004 £000	2003 £000
Wages and salaries	**4,938**	5,541
Social security costs	**431**	455
Pension costs	**353**	341
	5,722	6,337

All executive and administrative functions are undertaken by employees of British Nuclear Fuels plc.

5. DIRECTORS' EMOLUMENTS

	2004 £000	2003 £000
Emoluments	**20**	19

No pension contributions were made on behalf of Directors.

NOTES TO THE ACCOUNTS (continued)
at 31 March 2004

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2004 £000	2003 £000
Bank interest	974	1,220

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2004 £000	2003 £000
Gross top-up adjustment to opening provisions	1,475	1,795
Less: amounts capitalised as recoverable from customers	(1,473)	(1,793)
	2	2
Bank loans and overdrafts	4	2
	6	4

8. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2004 £000	2003 £000
Corporation tax	3	5
	3	5

The tax assessed on the profit on ordinary activities for the year is different from the standard rate of corporation tax in the UK of 30%. The differences are reconciled below:

	2004 £000	2003 £000
Profit on ordinary activities before taxation	1,102	868
Tax on profit at 30% (2003: 30%)	330	260
Effects of:		
Non taxable income	(327)	(255)
	3	5

The Company has no deferred tax liability in 2004 (2003: £Nil). From 1 April 2001 onwards the Company has been taxable under Section 82 of the Finance Act 2000. Deferred tax is not provided for on the basis that the Company will continue to be taxed on the same basis for the foreseeable future.

NOTES TO THE ACCOUNTS (continued)
at 31 March 2004

9. DIVIDENDS PAID AND PROPOSED

	2004	2003
	£000	£000
Dividends on equity shares		
Final proposed	**1,100**	1,500

10. TANGIBLE FIXED ASSETS

Group and Parent	Equipment	Assets in course of construction	Total
	£000	£000	£000
Cost at 1 April 2003	192,782	23,972	216,754
Additions excluding capitalised decommissioning costs	1,684	3,330	5,014
Top-up on capitalised decommissioning costs	1,473	-	1,473
Cost / programme changes to capitalised decommissioning costs	1,633	-	1,633
Amounts recovered from customers	(4,619)	-	(4,619)
Assets in course of construction commissioned	14,828	(14,828)	-
Cost at 31 March 2004	**207,781**	**12,474**	**220,255**
Depreciation at 1 April 2003	138,982	-	138,982
Charge for year	4,495	-	4,495
Depreciation at 31 March 2004	**143,477**	-	**143,477**
Net book value at 31 March 2004	**64,304**	**12,474**	**76,778**
Net book value at 31 March 2003	53,800	23,972	77,772

Included within fixed assets above is an amount of £27,575,000 (2003: £29,088,000) relating to capitalised decommissioning costs.

NOTES TO THE ACCOUNTS (continued)
at 31 March 2004

11. INVESTMENTS

Investment in subsidiary undertaking:	Parent £000
Cost and net book value at 31 March 2003 and 31 March 2004	62

Details of the investment are as follows:

Name	*Country of Incorporation*	*Holding*	*Proportion Held*	*Nature of Business*
Seabird KK	Japan	Ordinary shares	100%	Transport services

12. DEBTORS

	Group and Parent	
	2004	2003
	£000	£000
Amounts owed by Group Undertakings	**1,381**	1,671
Other debtors	**653**	50
	2,034	1,721

13. CREDITORS: amounts falling due within one year

	Group and Parent	
	2004	2003
	£000	£000
Trade creditors	**4,317**	5,490
Amounts owed to Group Undertakings	**5,963**	6,081
Proposed dividend	**1,100**	1,500
Corporation tax	**12**	9
Other taxes and social security costs	**119**	98
	11,511	13,178

NOTES TO THE ACCOUNTS (continued)
at 31 March 2004

14. CREDITORS: amounts falling due after more than one year

	Group and Parent	
	2004	2003
	£000	£000
Amounts owed to Group Undertakings:		
Capital advance payments	**43,720**	63,735

15. PROVISIONS FOR LIABILITIES AND CHARGES

	Group and Parent Flask decontamination & disposal £000
At 1 April 2003	29,131
Changes in price levels	1,475
Increase in the year:	
Capitalised	1,633
Utilised	(4,619)
At 31 March 2004	**27,620**
Analysed as follows:	
Amounts due within one year	**3,180**
Amounts due after one year	**24,440**
	27,620

The flask decontamination and disposal provisions are re assessed each year. The amounts can be subject to change, depending on latest cost estimates and timing of disposal. All costs associated with this decontamination except £45,000 is contractually recoverable from customers. The costs will be incurred over the next 10 years.

NOTES TO THE ACCOUNTS (continued)
at 31 March 2004

16. SHARE CAPITAL

	2004	2003
	£000	£000
Authorised:		
2,000,000 ordinary shares of £1 each	**2,000**	2,000
Allotted, called up and fully paid:		
2,000,000 ordinary shares of £1 each	**2,000**	2,000

17. RESERVES

	Group Profit and loss account	Parent Profit and loss account
	£000	£000
At 1 April 2003	2,310	2,315
Loss for the year	(1)	(1)
At 31 March 2004	**2,309**	**2,314**

A separate Profit and Loss account for the Parent Company has not been published as allowed under section 230 of the Companies Act 1985.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Group		Parent	
	2004	2003	**2004**	2003
	£000	£000	**£000**	£000
Loss for the year	**(1)**	(637)	**(1)**	(637)
	(1)	(637)	**(1)**	(637)
Opening shareholders' funds	**4,310**	4,947	**4,315**	4,952
Closing shareholders' funds	**4,309**	4,310	**4,314**	4,315

NOTES TO THE ACCOUNTS (continued)
at 31 March 2004

19. CASH FLOW STATEMENT

a. Reconciliation of operating profit to net cash (outflow) / inflow from operating activities

	2004	2003
	£000	£000
Operating profit / (loss)	**134**	(348)
Depreciation charges	**4,495**	5,030
(Increase) / decrease in debtors/accrued income	**(312)**	2
Increase / (decrease) in creditors/accruals	**1,699**	(486)
(Decrease) / increase in advance payments	**(20,114)**	21,326
Net cash (outflow) / inflow from operating activities	**(14,098)**	25,524

b. Analysis of cash flows for headings netted in the cash flow statement

	2004	2003
	£000	£000
Returns on investment and servicing of finance:		
Interest received	**1,111**	1,097
Interest paid	**(4)**	(3)
Net cash inflow for returns on investments and servicing of finance	**1,107**	**1,094**
Capital expenditure and financial investment:		
Purchase of tangible fixed assets	**(8,022)**	(11,960)
Net cash outflow for capital expenditure and financial investment	**(8,022)**	(11,960)
Equity Dividends Paid:		
Dividends paid to shareholders	**(1,500)**	(1,000)
Net cash outflow on equity dividends	**(1,500)**	**(1,000)**
Management of liquid resources:		
Cash withdrawn / (deposited) from short term deposits	**22,655**	(13,782)

Liquid resources are short-term deposits repayable after more than 24 hours but within one year.

NOTES TO THE ACCOUNTS (continued)
at 31 March 2004

19. CASH FLOW STATEMENT *continued*

c. Analysis of the changes in net funds

	At 1 April 2003	Cash flow	**At 31 March 2004**
	£000	£000	**£000**
Cash at bank and in hand	179	142	**321**
Deposits repayable after 24 hours	30,682	(22,655)	**8,027**
	30,861	(22,513)	**8,348**

d. Reconciliation of net cash flow to movement in net funds

	2004	2003
	£000	£000
Increase / (decrease) in cash in the year	**142**	(124)
Net cash (outflow) / inflow from (decrease) / increase in liquid resources	**(22,655)**	13,782
Movement in net funds in the year	**(22,513)**	13,658
Opening net funds	**30,861**	17,203
Closing net funds	**8,348**	30,861

NOTES TO THE ACCOUNTS (continued)
at 31 March 2004

20. CAPITAL EXPENDITURE AUTHORISED

	2004	2003
	£000	£000
Contracted for but not provided for	**954**	4,186

21. PENSIONS

The Company participates in two industry wide defined benefit pension schemes (The Merchant Navy Officers Pension Fund and the Merchant Navy Ratings Pension Fund), and two industry wide money purchase pension schemes (the Merchant Navy Officers Pension Plan and the Merchant Navy Ratings Pension Plan).

a) Defined benefit schemes

The Merchant Navy Officers Pension Fund Old section was closed in April 1978 and replaced by the New section which has subsequently been closed to new members from 1 November 1996. Benefits for Old section were capped in April 1978 and those for existing employees of the New section continue to accrue with increasing years in service.

The Merchant Navy Ratings Pension Fund was closed from 31 May 2001, the liabilities of the scheme have been capped at the level of benefits accrued to employees at the closure date, subject to adjustment for future actuarial valuations. Each scheme is funded by payments to trusts, which are independent of the participating employers.

The pension costs are determined with the advice of independent qualified actuaries on the basis of triennial valuations using the projected unit credit method. The results of the most recent valuations for the MNOPF and the MNRPF which were conducted as at 31 March 2003 and 31 March 2002 respectively, were as follows:

Main assumptions:	MNOPF		MNRPF
	New	Old	
Date of valuation	31 March 03	31 March 03	31 March 02
Rate of increase in salaries (% per annum)	4.0	Nil	4.0
Rate of increase in pension payments (% p.a.)	2.5	Nil	Nil to 2.5
Discount rate (% p.a.)	7.8	5.7	5.8
Market value of scheme's assets (£million)	1,171	1,316	506

NOTES TO THE ACCOUNTS (continued)
at 31 March 2004

21. PENSIONS *continued*

At 31 March 2003, the MNOPF, New and Old sections were 86% and 115% funded respectively (previously 100% and 112%). At the 31 March 2002 valuation, the MNRPF was 84% funded (previously 79% funded).

The latest indication from the administrators of the MNRPF is that the scheme is underfunded by £194M and that the shortfall would be fully funded in 2012. PNTL's payments since 2000/01 amount to £0.6M, with subsequent payments of approximately £0.1M in the next 4 years with some minor payments after that, subject to the level of voluntary contributions.

The MNOPF is underfunded by £194M, which has increased from the £8M deficit reported last time. To eliminate the previous deficit over a 6 year period there has been an increase in contributions from 7.9% to 11.9% from October 2000 to June 2005. This has resulted in an increased contribution from PNTL of approximately £0.1M p.a. There is a possibility that lump sum payments may be required to eliminate the increased deficit although no formal request has been made.

The pension cost, charged in the year for the MNRPF was £115K. The pension cost, charged in the year for the MNOPF was £221K and there were outstanding contributions of £16K at the balance sheet date.

As the MNOPF and MNRPF are defined benefit industry wide schemes, PNTL is unable to identify its share of the underlying assets and liabilities on a regular and consistent basis and has therefore treated the schemes as defined contribution schemes in the accounts, in accordance with FRS17 Retirement Benefits.

b) Money purchase schemes

The Merchant Navy Officers Pension Plan is a defined contribution scheme and is available to officers who are not eligible for the MNOPF but wish to participate in an industry scheme. The pension cost charged in the year was £20K and there was £2K of outstanding contributions due at the balance sheet date.

The Merchant Navy Ratings Pension Plan is a defined contribution scheme, which was set up on closure of the MNRPF, and is available to all ratings who wish to participate in an industry scheme. The pension cost charged in the year was £42K and there was £1K of outstanding contributions due at the balance sheet date.

NOTES TO THE ACCOUNTS (continued)
at 31 March 2004

22. RELATED PARTY TRANSACTIONS

The following table summarises the disclosures required by FRS8 regarding transactions with British Nuclear Fuels plc, the Immediate Parent Undertaking

2003/04

	Turnover	Purchases	Interest	Due from related party	Due to related party	
				Trading	Trading	Advance Payments
	£000	£000	£000	£000	£000	£000
Parent Undertaking	17,693	3,423	-	1,381	8	49,675

2002/03

	Turnover	Purchases	Interest	Due from related party	Due to related party	
				Trading	Trading	Advance Payments
	£000	£000	£000	£000	£000	£000
Parent Undertaking	18,548	2,476	-	1,671	27	69,789

23. PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate holding company is International Nuclear Fuels Limited, a company incorporated in England and Wales. The ultimate holding company is British Nuclear Fuels plc, which is incorporated in Great Britain. Copies of the Group accounts of British Nuclear Fuels plc may be obtained from its registered office at 1100 Daresbury Park, Daresbury, Warrington Cheshire WA4 4GB. The Company is not included in any other Group accounts.

In the Directors' opinion, the Company's ultimate controlling party is Her Majesty's Government.