

## **G-TEKT Europe Manufacturing Limited**

Directors' report and financial  
statements

Registered number 03249892  
Year Ended 31 December 2012



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## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 December 2012

### **Principal activities**

The principal activities of the company were the manufacture and sale of pressed steel body parts for the automotive industry, and manufacture of associated tooling

### **Business review**

In 2012 total sales were £76.9m, 3.0% up on 2011. Mass production sales (excluding tooling) were 29% higher than prior year, largely due to stronger parts demand from Honda. This was due to an increased vehicle build with the launch of new Civic and CRV models, and no repetition of the supply problems affecting Honda in 2011 after natural disasters in Japan and Thailand.

Pre-tax profit was £8.6m in 2012 compared to £8.0m in 2011. Total manpower increased from 398 at 2011 year end to 541 at the close of 2012.

In 2012 production planning and labour efficiency was affected by volatility of customer schedules, but flexible working practices ensured 100% delivery performance was maintained.

A dividend of £1,501,752 was paid in the year (2011: £601,000).

During the year G-TEKT Europe Manufacturing successfully supported two major model changes by Honda, increased its sales to other customers and expanded in-house die making capacity. As well as being a 1<sup>st</sup> tier automotive supplier the business also grew sales as a 2<sup>nd</sup> tier supplier.

The company continued to operate two manufacturing sites, at Gloucester and Ebbw Vale. The facility in Ebbw Vale continued its growth, and plays a significant part in cost management on small/medium parts supply.

No major health and safety incidents or major quality concerns occurred in the year.

### **Future risks and planning**

The 2013 forecast is for another profitable year, though market conditions are not expected to improve in Europe and the main customer Honda is planning lower production levels from quarter two.

Increasing utilisation from current production facilities is a key aim for 2013. Improved plant logistics, automated material delivery and flexible stock storage will be key to achieving this.

The risk associated with having a high concentration of sales with Honda is being addressed by developing new customers and products, a process that will continue in 2013.

### **Directors and directors' interests**

The directors who held office during the year were as follows:

Naohiro Takao  
Toshitsugu Kikuchi  
Nicholas Thomas  
Mitsuo Ishikawa  
Hiroshi Seko

Mr Takao and Mr Kikuchi had a beneficial interest in the shares of the parent company, required to be disclosed under Schedule 7 of the Companies Act 1985.


**Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

**Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board

  
M Ishikawa  
Director

Gloucester Business Park  
Golf Club Lane  
Brockworth  
Gloucestershire  
GL3 4AJ

Date 25 February 2013

**Directors' report** *(continued)*

**Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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,
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



### **Independent auditor's report to the members of G-TEKT Europe Manufacturing Limited**

We have audited the financial statements of G-TEKT Europe Manufacturing Limited for the year ended 31 December 2012 set out on pages 6 to 16. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 UK 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**

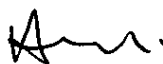
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent auditor's report to the members of G-TEKT Europe Manufacturing 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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**N P Hall (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
100 Temple Street  
Bristol  
BS1 6AG

25 February 2013

# **Profit and loss account**

for year ended 31 December 2012

	<i>Note</i>	<b>2012</b> <b>£000</b>	<b>Restated</b> <b>2011</b> <b>£000</b>	<b>Restated</b> <b>£000</b>
<b>Turnover</b>	<b>2</b>	<b>76,878</b>		<b>74,567</b>
<b>Cost of sales</b>		<b>(60,049)</b>		<b>(58,576)</b>
<b>Gross profit</b>		<b>16,829</b>		<b>15,991</b>
<b>Distribution costs</b>		<b>(375)</b>		<b>(235)</b>
<b>Administrative expenses</b>		<b>(7,945)</b>		<b>(7,824)</b>
<b>Operating profit</b>		<b>8,509</b>		<b>7,932</b>
<b>Interest receivable and similar income</b>	<b>5</b>	<b>99</b>	<b>110</b>	
<b>Interest payable and similar charges</b>	<b>6</b>	<b>(3)</b>		
		<b>96</b>		<b>110</b>
<b>Profit on ordinary activities before taxation</b>	<b>3</b>	<b>8,605</b>		<b>8,042</b>
<b>Tax on profit on ordinary activities</b>	<b>7</b>	<b>(2,201)</b>		<b>(2,225)</b>
<b>Profit for the financial year</b>	<b>17</b>	<b>6,404</b>		<b>5,817</b>

The result for the period has been derived from continuing operations and includes all recognised gains and losses arising in the year

The accompanying notes are an integral part of this profit and loss account



## Balance Sheet

at 31 December 2012

	Note	2012 £000	2011 £000
<b>Fixed assets</b>			
Tangible assets	9	37,018	39,698
<b>Current assets</b>			
Stocks	10	5,854	6,444
Debtors	11	8,741	4,858
Cash at bank and in hand		22,076	19,810
		<u>36,671</u>	<u>31,112</u>
<b>Creditors: Amounts falling due within one year</b>	12	<u>(11,575)</u>	<u>(13,118)</u>
<b>Net current assets</b>		<b>25,096</b>	<b>17,994</b>
<b>Total assets less current liabilities</b>		<u><b>62,114</b></u>	<u><b>57,692</b></u>
<b>Provisions for liabilities and charges</b>	13	<b>(1,085)</b>	<b>(1,566)</b>
<b>Net assets</b>		<u><b>61,029</b></u>	<u><b>56,126</b></u>
<b>Capital and reserves</b>			
Called up share capital	15	12,014	12,014
Profit and loss account	17	49,015	44,112
<b>Equity shareholders' funds</b>	16	<u><b>61,029</b></u>	<u><b>56,126</b></u>

These financial statements were approved by the board of directors on 25 February 2013 and were signed on its behalf by

  
 M. Ishikawa  
 Director

## Cash flow statement

for the year ended 31 December 2012

	<i>Note</i>	<b>2012</b> <b>£000</b>	<b>2011</b> <b>£000</b>
<b>Net cash inflow from operating activities</b>	<b>18a</b>	<b>7,772</b>	<b>7,497</b>
<b>Returns on investments and servicing of finance</b>	<b>18b</b>	<b>96</b>	<b>110</b>
<b>Taxation</b>		<b>(2,681)</b>	<b>(2,492)</b>
<b>Capital Expenditure</b>	<b>18b</b>	<b>(1,420)</b>	<b>(940)</b>
<b>Cash inflow before financing</b>		<b>3,767</b>	<b>4,175</b>
<b>Equity dividends (paid)</b>		<b>(1,501)</b>	<b>(600)</b>
<b>Financing</b>	<b>18b</b>	<b>-</b>	<b>-</b>
<b>Increase in cash in the year</b>		<b>2,266</b>	<b>3,575</b>

### Reconciliation of net cash flow to movement in net cash (note 18c)

	<b>£000</b>	<b>£000</b>
<b>Increase in cash in the year</b>	<b>2,266</b>	<b>3,575</b>
<b>Net cash Inflow/(outflow) from changes in debt and lease financing</b>	<b>-</b>	<b>-</b>
<b>Foreign exchange movements on debts and lease financing</b>	<b>-</b>	<b>-</b>
<b>Movement in net cash in year</b>	<b>2,266</b>	<b>3,575</b>
<b>Net cash at the start of the year</b>	<b>19,810</b>	<b>16,235</b>
<b>Net cash at the end of the year</b>	<b>22,076</b>	<b>19,810</b>

**Notes**  
**(forming part of the financial statements)**

**1 Accounting policies**

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

**Basis of accounting**

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. The company is able to generate sufficient resources to fund its working capital. However, should it need additional funding it is able to obtain it as it is able to obtain bank loans which are secured against guarantees offered by the parent company G-TEKT Corporation. This support should ensure that the company is able to continue its operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

**Turnover**

Turnover represents amounts receivable for the supply of manufactured vehicle components, including tooling provided in the normal course of business net of trade discounts, VAT and other sales related taxes.

**Tangible fixed assets**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible assets at rates calculated to write off cost, less estimated residual value, of each asset on a straight-line basis over expected useful life, as follows:

Land and Buildings	-	10 to 50 years
Press and Assembly Equipment	-	8 to 15 years
Other Plant Equipment	-	5 to 10 years
Fixtures, fittings, tools and equipment	-	1 to 10 years

No depreciation is provided on freehold land.

Residual value is calculated on prices prevailing at the date of acquisition.

**Operating leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

**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 stock where appropriate.

**Foreign currency**

Transactions in foreign currencies are recorded using the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rate of exchange prevailing at that date. All exchange differences are included in the profit and loss account.

**Taxation**

UK corporation tax is provided at amounts expected to be paid using the tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

**Research and development**

Research and development expenditure is written off as it is incurred.

**Pension costs**

The company operates a defined contribution scheme. The amount charged to the profit and loss account in respect of pension costs and benefits is the contributions payable in the period. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

**Government grants**

Capital based government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the estimated useful economic lives of the assets to which they relate.

## 2 Turnover

Turnover was derived from the company's principal activities which were carried out wholly in the UK

	2012 £000	2011 £000
Pressings and assembly manufacture	60,667	55,153
Manufacture of press tooling and trial parts	16,211	19,414
	<u>76,878</u>	<u>74,567</u>

The practice of reporting sales net of group royalties ceased in 2012, hence prior year turnover has been restated on a like for like basis

## 3 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/(crediting)

	2012 £000	2011 £000
Depreciation of tangible fixed assets		
Owned	4,100	3,992
Loss on disposal of fixed assets	-	25
Operating lease rentals		
Plant and machinery	288	238
Other	190	168
Auditors' remuneration, including expenses		
Audit of financial statements pursuant to legislation	37	41
Other services relating to taxation	37	11

## 4 Directors' emoluments and staff costs

### Directors' remuneration

Directors' remuneration was as follows

	2012 £000	2011 £000
Emoluments	549	403
Performance related bonuses	19	41
Company contributions to money purchase pension schemes	7	6
	<u>575</u>	<u>450</u>

No retirement benefits were accruing to any of the directors (2011 nil) under the money purchase pensions scheme

### Highest paid director

The highest paid director received £295,068 in 2012 (2011 £198,970)

## 4 Directors' emoluments and staff costs (continued)

### Staff Costs

The average number of employees (including executive directors) was

	Number of Employees	
	2012 £000	2011 £000
Production	446	358
Administration, Sales and Distribution	41	40
	<u>487</u>	<u>398</u>

	2012 £000	2011 £000
Their aggregate remuneration comprises		
Wages and salaries	10,922	8,345
Social security costs	915	701
Other pension costs (note 20)	178	166
	<u>12,015</u>	<u>9,212</u>

**5 Interest receivable and similar income**

	2012 £000	2011 £000
Interest receivable from group undertakings	-	-
Interest receivable from bank deposits	99	110
	<u>99</u>	<u>110</u>

**6 Interest payable and similar charges**

	2012 £000	2011 £000
Interest payable on bank loans and overdrafts	-	-
Other interest paid	3	-
	<u>3</u>	<u>-</u>

**7 Taxation**

Analysis of charge in year

	2012 £000	£000	2011 £000	£000
<i>UK corporation tax</i>				
Current tax on income for the year	2,682		2,477	
Adjustments in respect of previous years	-		(46)	
		2,682		2,431
Deferred tax (see note 13)				
Origination and reversal of timing differences	(355)		(116)	
Effect of change in tax rate on opening balances	(126)		(134)	
Adjustments in respect of previous years	-		44	
		(481)		(206)
Tax on profit on ordinary activities		<u>2,201</u>		<u>2,225</u>
<i>Factors affecting the tax charge for the current year</i>				

The current tax charge for the year is higher (2011 higher) than the standard rate of corporation tax in the UK 24% (2011 26%)  
The differences are explained below

	2012 £000	2011 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	8,605	8,042
	<u>2,108</u>	<u>2,131</u>
Current tax at average 24.5% for year (2011 26.5%)		
Effects of		
Income not taxable for tax purposes - dividend	-	(54)
Expenses not deductible for tax purposes	72	278
Depreciation in excess of capital allowances	502	122
Adjustment in respect of previous periods	-	(46)
Total current tax charge (see above)	<u>2,682</u>	<u>2,431</u>

**8 Dividends Paid**

On 30th May 2012 the company paid a dividend of £1,501,753 to its parent company G-TEKT Corporation (2011 £600,701)

## Tangible fixed assets

	Land and Buildings £000	Press and assembly equipment £000	Other plant and machinery £000	Fixtures, fittings, tools and equipment £000	Total £000
<b>Cost</b>					
At beginning of year	28,035	44,406	923	797	74,161
Additions	113	1,212	78	17	1,420
Disposals	-	-	-	(7)	(7)
At end of year	<u>28,148</u>	<u>45,618</u>	<u>1,001</u>	<u>807</u>	<u>75,574</u>
<b>Depreciation</b>					
At beginning of year	3,429	29,521	803	710	34,463
Charge for year	714	3,311	38	37	4,100
Disposals	-	-	-	(7)	(7)
At end of year	<u>4,143</u>	<u>32,832</u>	<u>841</u>	<u>740</u>	<u>38,556</u>
<b>Net book value</b>					
At 31 December 2012	<u>24,005</u>	<u>12,786</u>	<u>160</u>	<u>67</u>	<u>37,018</u>
At 31 December 2011	<u>24,606</u>	<u>14,885</u>	<u>120</u>	<u>87</u>	<u>39,698</u>

The value of freehold land not depreciated at 31 December 2012 was £2,903,000 (2011 £2,903,000)

## 10 Stocks

	2012 £000	2011 £000
Raw materials and consumables	2,751	2,604
Work in progress	2,490	3,574
Finished goods	<u>613</u>	<u>266</u>
	<u>5,854</u>	<u>6,444</u>

## 11 Debtors

	2012 £000	2011 £000
<i>Amounts falling due within one year</i>		
Trade debtors	8,622	4,770
Amounts owed by group undertakings	-	13
Prepayments and accrued income	119	75
Other taxation and social security	-	-
	<u>8,741</u>	<u>4,858</u>

## 12 Creditors

	2012 £000	2011 £000
<i>Amounts falling due within one year</i>		
Trade creditors	2,838	1,483
Amounts owed to group undertakings	1,262	1,695
Taxation and social security	1,645	1,672
Other creditors	1,324	986
Corporation tax	1,781	1,770
Accruals and deferred income	<u>2,725</u>	<u>5,512</u>
	<u>11,575</u>	<u>13,118</u>

**13 Deferred taxation**

	2012 £000	2011 £000
The company's liability in respect of deferred taxation is as follows		
Accelerated capital allowances	1,139	1,571
Short term timing differences	(54)	(5)
	<u>1,085</u>	<u>1,566</u>
Deferred tax provision brought forward	1,566	1,772
Deferred tax charge in the profit and loss account (see note 7)	(355)	(116)
Effect of change in tax rate on opening balances	(126)	(134)
Adjustments in respect of previous years	-	44
Deferred tax provision carried forward	<u>1,085</u>	<u>1,566</u>

**14 Financial commitments**

Capital expenditure sanctioned by the directors at 31 December 2012 but not provided for within these accounts was £1,667 175 (2011 £51,077)

Annual Commitments under non-cancellable operating leases are as follows

	2012 Land and Buildings £000	Other £000	2011 Land and Buildings £000	Other £000
Expiry date				
In two years or less	4	104	24	152
Between two and five years	-	615	-	140
	<u>4</u>	<u>719</u>	<u>24</u>	<u>292</u>

**15 Called up equity share capital**

	2012 £000	2011 £000
<i>Allotted, called up and fully paid</i>		
12 014 023 ordinary shares of £1 each (2011 12 014 023)	<u>12,014</u>	<u>12 014</u>

**16 Reconciliation of movements in equity shareholders' funds**

	2012 £000	2011 £000
Profit for the year	6,404	5 817
Dividends paid	(1,501)	(600)
Opening equity shareholders' funds	56,126	50 909
Closing equity shareholders' funds	<u>61,029</u>	<u>56,126</u>

**17 Profit and loss reserve**

	2012 £000	2011 £000
Opening profit and loss reserve	44,112	38 895
Profit for the year after taxation	6,404	5,817
Dividends Paid	(1,501)	(600)
Closing profit and loss reserve	<u>49,015</u>	<u>44,112</u>

**a) Reconciliation of operating profit to net cash inflow from operating activities**

	2012	2011
	£000	£000
Operating Profit	8,509	7,932
Depreciation	4,100	3,992
Loss on disposal of fixed assets	-	25
Decrease in stocks	590	2,590
Increase in debtors	(3,883)	758
Decrease in creditors	(1,543)	(7,800)
Rounding differences	(1)	-
Net cash inflow from operating activities	<u>7,772</u>	<u>7,497</u>

**b) Gross cash flows**

	2012	2011
	£000	£000
<b>Returns and investment and servicing of finance</b>		
Interest received	99	110
Interest paid	(3)	-
Net cash outflow	<u>96</u>	<u>110</u>

**Capital expenditure**

Payments to acquire tangible fixed assets	(1,420)	(940)
Payments to acquire investment assets	-	-
	<u>(1,420)</u>	<u>(940)</u>

**Financing**

Decrease/(Increase) in bank loan	-	-
(Increase)/Decrease due to exchange movements	-	-
	<u>-</u>	<u>-</u>

**c) Movement in net cash**

	At beginning of year £000	Cash flow £000	At end of year £000
Cash at bank and in hand	19,810	2,266	22,076
Debt due within one year			
- bank	-	-	-
<b>Total net cash</b>	<u>19,810</u>	<u>2,266</u>	<u>22,076</u>



**Related party transactions***Controlling parties*

Since April 2011 G-TEKT Europe Manufacturing Limited has been a wholly owned subsidiary of G-TEKT Corporation  
 G-TEKT Corporation is a company incorporated in Japan  
 Honda Japan owned 30% of the share capital of G-TEKT Corporation at 31/12/12

*Transactions during the year*

During the year the principal related party transactions were as detailed below

Sales and purchases with related companies were as follows

	Sales/recharges by G-TEKT Europe Manufacturing Limited			
	Tooling or component sales		Recharges	
	2012 £000	2011 £000	2012 £000	2011 £000
Takao Kinzoku Kogyo Company Limited	-	-	-	17
G-TEKT Corporation	16	11	47	31
G-TEKT Thailand	16	4	-	-
Auto Parts Alliance China	-	7	-	-
Honda UK	54,178	20,165	-	-
Honda Logistics	251	79	-	-
Honda Trading	10	-	-	-
Total related party transactions	<u>54,471</u>	<u>20,266</u>	<u>47</u>	<u>48</u>

**Purchases/recharges by G-TEKT Europe Manufacturing Limited**

	Tooling, capital or component purchases		Recharges	
	2012 £000	2011 £000	2012 £000	2011 £000
Takao Kinzoku Kogyo Company Limited	-	1,528	-	50
Takao America	-	100	-	-
G-TEKT Corporation	11,531	16,244	590	364
G-TEKT Thailand	-	-	-	-
G-TEKT America	74	170	-	-
Honda UK	49	13	-	-
Honda Trading	21,596	13,076	-	-
Auto Parts Alliance China	-	-	-	-
Total related party transactions	<u>33,250</u>	<u>31,131</u>	<u>590</u>	<u>414</u>

Recharges to G-TEKT Europe Manufacturing Limited from G-TEKT Corporation relate to salaries of certain employees

*Year end balances*

Total amounts due from and payable to related parties are disclosed in notes 11 and 12 of these accounts as follows

	2012 £000	2011 £000
<i>Amounts due from</i>		
Subsidiaries within the Honda Group	6,446	878
Subsidiaries within the G-TEKT group	-	13
	<u>6,446</u>	<u>891</u>
<i>Amounts payable to</i>		
Subsidiaries within the G-TEKT group	1,262	925
Subsidiaries within the Honda Group	1,443	770
	<u>2,705</u>	<u>1,695</u>

Amounts due from and payable to subsidiaries within the Honda group are disclosed within trade debtors and trade creditors in notes 11 and 12

**20 Pension scheme**

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £178,000 (2011 £162,000)

**21 Ultimate parent company**

The immediate and ultimate parent company is G-TEKT Corporation, a company incorporated in Japan. A copy of the group accounts can be obtained from that company's registered office at G-TEKT Corporation, Excellent Omiya Bldg 8F, 1-9-4 Sakuragicho, Saitama Omiya-ku, Saitama, Japan.