

**INTERNATIONAL NUCLEAR SERVICES LIMITED**  
Registered No. 1144352

**ANNUAL REPORT AND ACCOUNTS**

**31 March 2009**

# International Nuclear Services Limited

## **DIRECTORS**

Richard Waite (reappointed 1 April 2008)

Sean Balmer

John Clarke

Alaine Greaves (Alaine Lamprell to 16 May 2009)

Mark Jervis (appointed 1 April 2008)

David Landon (appointed 17 June 2008)

Alan Moore (appointed 16 April 2008)

## **SECRETARY**

Helen Elizabeth Stephenson (appointed 1 April 2008)

## **AUDITORS**

Ernst & Young

100 Barbirolli Square

Manchester

M2 3EY

## **BANKERS**

RBS plc

1 Spinningfield Square

Manchester

M3 3AP

## **REGISTERED OFFICE**

Herdus House

Westlakes Science & Technology Park

Moor Row

Cumbria

CA24 3HU

## DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 March 2009.

### RESULTS AND DIVIDENDS

The profit for the year, after taxation, is £5,507,000 (2008: £642,000). The directors do not recommend payment of a dividend (2008: £nil).

### PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

On 1 April 2008 the company became a direct 100% subsidiary of the Nuclear Decommissioning Authority ('NDA'). Previously, as a result of the contractual arrangements arising from the Energy Act 2004, in accordance with Financial Reporting Standard 2 'Accounting for Subsidiary Undertakings', the company was already treated as a subsidiary of the NDA.

Under the terms of an Energy Act 2004 transfer scheme, 143 employees were transferred into the company from Sellafield Limited, together with a number of purchase and sales contracts. The impact on net assets following the transfers was nil as all creditor and debtor balances transferred (a net credit balance of £865,000) were offset by a corresponding amount which was recovered from Sellafield Limited during the financial year.

The company and its subsidiaries' principal activities during the year, following the transfer above, were:

- i) provision of an agency service to the Nuclear Decommissioning Authority (NDA), for the management of contracts, principally in relation to spent nuclear fuel reprocessing and plutonium-based fuel (MOX) manufacture;
- ii) provision of transportation services, including the operation of a fleet of ships for the carriage of nuclear materials to fulfil transportation contracts on behalf of the NDA.

The company's key financial and other performance indicators' performance during the year were as follows:

#### *Key performance indicators*

	<i>Actual</i>	<i>Target</i>
<i>Retained profit for the year</i>	<i>£5,507k</i>	<i>£538k</i>
<i>Average number of employees</i>	<i>141</i>	<i>145</i>
<i>Agency work for NDA</i>	<i>£673M</i>	<i>£454M</i>

The company had a very successful year with retained profit for the year significantly higher than target driven by additional income from customers in relation to new work performed in the year by the company, together with cost reductions in a number of areas across the business. The company also benefited from additional dividends received from its subsidiaries.

Agency work for the NDA comprises invoices raised on behalf of the NDA during the financial year in the company's role as agent to the NDA in relation to the management of contracts. The monies in relation to these invoices flow directly to the NDA. The company exceeded the agreed target significantly following successful negotiation of new contracts with customers.

### FUTURE DEVELOPMENTS

The contracts management and transport activities have committed business for a number of years. The focus of the directors will be to manage the business and to prepare and execute a business development strategy aimed at making International Nuclear Services Limited and its subsidiaries a leading international nuclear fuel cycle services and transport group.

## **DIRECTORS' REPORT (continued)**

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The company has established a risk review team that meets regularly to evaluate the key risks facing the company and its subsidiaries and to identify and implement the action required to mitigate these risks. Key risks and uncertainties facing the company and its subsidiaries can be broadly grouped as asset/route availability risk, legislative and financial instrument risk.

#### **Legislative risk**

Existing legislation requires package licences to be obtained from the competent authorities prior to shipment. If package licences are delayed this would result in a delay to the shipment until the licence is obtained. A dedicated team is responsible for reviewing and identifying all licence requirements. Any risks in relation to obtaining licences are identified with appropriate mitigating action taken where required.

#### **Asset/route availability risks**

The nature of the business means that the company and its subsidiaries require the appropriate access to a number of international shipping routes and the appropriate assets (both existing and new assets) to enable safe and effective transportation. If routes are blocked, existing assets have technical failures or new assets are unable to be procured at the appropriate time then the company's ability to meet transport requirements may be at risk. This risk is managed by reviewing on a regular basis all assets and routes required to meet transportation requirements. Any risks to meeting these requirements are identified with appropriate mitigating action taken where required.

#### **Financial instrument risks**

The investment policy of the company and its subsidiaries is to hold funds in bank deposits which are invested on a short-term basis in the money market. Liquidity is managed by preparing short and medium-term cash flow forecasts against which the maturity of bank deposits is timed.

Forward foreign currency contracts are also used to reduce exposure to the variability of foreign exchange rates by fixing the rate of any significant payments in a foreign currency.

### **DONATIONS**

There were no political donations made in the year. As part of the company's commitment to the communities in which it operates, contributions totalling £8,264 were made during the year primarily to local charities and community projects (2008: £nil).

### **DIRECTORS**

The directors who served during the year were as follows:

Richard Waite (reappointed 1 April 2008)

Sean Balmer

John Clarke

Alaine Greaves (Alaine Lamprell to 16 May 2009)

Mark Jervis (appointed 1 April 2008)

David Landon (appointed 17 June 2008)

Alan Moore (appointed 16 April 2008)

Charles Longfellow (resigned 1 April 2008)

Barry Snelson (resigned 1 April 2008)

Robert Churchill (resigned 1 April 2008)

James Morse (resigned 16 April 2008)

## **DIRECTORS' REPORT (continued)**

### **DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

The Company maintains Directors' and Officers' liability insurance covering the defence costs of civil legal proceedings and the damages resulting from the unsuccessful defence of such proceedings except, in each case, to the extent that a Director or Officer acted fraudulently or dishonestly.

### **DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who were members of the board at the time of approving the Directors' Report are listed on page 2. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirms that:

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware; and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

### **ELECTIVE RESOLUTIONS**

The company has elected to dispense with the holding of Annual General Meetings pursuant to Section 366A of the Companies Act 1985.

The company has elected to dispense with the annual appointment of Auditors pursuant to Section 386 of the Companies Act 1985.

The company has elected to dispense with the laying of accounts and reports in general meeting pursuant to Section 252 of the Companies Act 1985.

On behalf of the Board



A Greaves  
Finance Director  
2 September 2009

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS**

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INTERNATIONAL NUCLEAR SERVICES LIMITED**

We have audited the company's financial statements for the year ended 31 March 2009 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 22. These financial statements have been prepared under 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**

The Directors' responsibilities for preparing the financial statements in accordance with applicable United Kingdom law and 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).

We report to you our opinion as to whether the financial statements give a true and fair view, 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.

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**

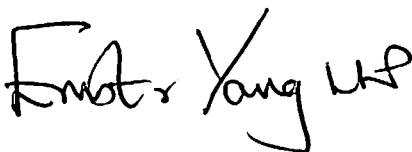
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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.

### **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 2009 and of its profit for the year 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.



Ernst & Young LLP  
Registered Auditor  
Manchester

3 September 2009

**PROFIT AND LOSS ACCOUNT**  
**For the year ended 31 March 2009**

	<i>Notes</i>	<b>2009</b> <b>£000</b>	<b>2008</b> <b>£000</b>
Turnover	2	<b>55,629</b>	-
Operating costs and expenses		<b>(51,333)</b>	(5)
<b>OPERATING PROFIT/(LOSS)</b>	<b>3</b>	<b>4,296</b>	<b>(5)</b>
Income from shares in group undertakings	5	<b>1,178</b>	796
Interest receivable	6	<b>1,376</b>	19
Interest payable	7	<b>(1,344)</b>	-
Provision for subsidiary undertaking		-	(164)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>5,506</b>	<b>646</b>
Tax on profit on ordinary activities	8	<b>1</b>	(4)
<b>RETAINED PROFIT FOR THE YEAR</b>		<b>5,507</b>	<b>642</b>

All operations are continuing.

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**For the year ended 31 March 2009**

	<b>2009</b> <b>£000</b>	<b>2008</b> <b>£000</b>
<b>Profit for the financial year</b>	<b>5,507</b>	<b>642</b>
Actual return less expected return on scheme assets	<b>(648)</b>	-
Experience gains and losses on liabilities	<b>83</b>	-
Changes in assumptions underlying the present value of pension scheme liabilities	<b>494</b>	-
Movement in amount recoverable from the NDA	<b>71</b>	-
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<b>5,507</b>	<b>642</b>

**BALANCE SHEET**  
At 31 March 2009

	<i>Notes</i>	<b>2009</b>	2008
		<b>£000</b>	£000
<b>FIXED ASSETS</b>			
Investments	9	1,250	1,250
<b>CURRENT ASSETS</b>			
Stocks	10	1,371	-
Amount recoverable from parent undertaking relating to pension liabilities		1,212	-
Debtors	12	105,373	-
Investments	13	6,600	-
Cash at bank and in hand		224	1,504
		<hr/>	<hr/>
		114,780	1,504
<b>CREDITORS: Amounts falling due within one year</b>	14	<b>(107,230)</b>	<b>(673)</b>
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		<b>7,550</b>	<b>831</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>8,800</b>	<b>2,081</b>
<b>PENSION LIABILITY</b>	19	<b>(1,212)</b>	<b>-</b>
		<hr/>	<hr/>
<b>NET ASSETS</b>		<b>7,588</b>	<b>2,081</b>
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	64,259	64,259
Profit and loss account	17	(56,671)	(62,178)
		<hr/>	<hr/>
<b>EQUITY SHAREHOLDERS' FUNDS</b>	18	<b>7,588</b>	<b>2,081</b>
		<hr/>	<hr/>

The accounts were approved and authorised for issue by the board on 2 September 2009 and were signed on its behalf by:



A Greaves  
Director

## NOTES TO THE ACCOUNTS

At 31 March 2009

### 1. ACCOUNTING POLICIES

#### *Basis of preparation and change in accounting policy*

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

In preparing the financial statements for the current year, the group has adopted the amendment to FRS 17 'Retirement Benefits'. The adoption of the amendment to FRS 17 has resulted in a change in accounting policy for the valuation of quoted securities included in plan assets. The fair values of these securities are now based on the current bid price, rather than the mid market value as previously used by the Group. The additional charge on restatement of pension scheme assets has been dealt with as a charge in the current year and a prior year adjustment to restate prior periods has not been made as overall the adjustment is not material to the financial statements.

The Company has also adopted FRS 25 'Financial Instruments: Presentation', FRS 26 'Financial Instruments: Recognition and Measurement' and FRS 29 'Financial Instruments: Disclosures'. Adoption of these statements has not resulted in any restatement of comparative figures.

#### *Group accounts*

The company is a subsidiary of the Nuclear Decommissioning Authority which prepares and files consolidated accounts and as such it is exempt from preparing group accounts in accordance with section 228 of the Companies Act 1985. Accordingly the accounts present information about the company as an individual undertaking and not about its group.

#### *Cash flow statement*

Under Financial Reporting Standard 1 (revised 1996) the company is exempt from the requirement to prepare a cash flow statement on the grounds that the Nuclear Decommissioning Authority includes the company in its own published consolidated financial statements (see Note 20).

#### *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.

#### *Deferred taxation*

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, with the following exceptions:

- Deferred tax assets are recognised only if it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted; and
- Provision is made for gains on disposals of fixed assets that have been rolled over into replacement assets only where, at the balance sheet date, there is a commitment to dispose of the replacement assets.

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

#### *Investments in subsidiaries*

Investments in subsidiaries are stated at cost less provision for any impairment.

#### *Stocks*

Work in progress is valued at cost, less the cost of work invoiced on incomplete contracts and less foreseeable losses.

#### *Derivatives and other financial instruments*

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

## NOTES TO THE ACCOUNTS (continued)

At 31 March 2009

### 1. ACCOUNTING POLICIES continued

#### *Financial assets*

Financial assets are classified as either financial assets 'at fair value through profit or loss' (FVTPL) or loans and receivables. Financial assets are initially recognised at fair value plus transaction costs, except for those assets classified as at fair value through profit or loss, which are initially recognised at fair value (transaction costs are expensed in the profit and loss account).

#### *Financial assets at FVTPL*

Financial assets are classified as at FVTPL where the financial asset is either held for trading or it is designated as at FVTPL. A financial asset is classified as held for trading if it has been acquired principally for the purpose of selling in the near future or it is a derivative that is not designated and effective as a hedging instrument. A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise or it forms part of a contract containing one or more embedded derivatives, and FRS 26 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at FVTPL. Financial assets at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

#### *Loans and receivables*

Trade and other debtors, short term deposits and cash at bank and in hand, that have fixed or determinable payments that are not quoted in an active market, are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest rate method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The effective interest rate method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying value of the financial asset.

#### *Impairment of financial assets*

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been impacted.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade debtors, where the carrying amount is reduced through the use of an allowance account. When a trade debtor is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

#### *Derecognition of financial assets*

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

## NOTES TO THE ACCOUNTS (continued)

At 31 March 2009

### 1. ACCOUNTING POLICIES continued

#### *Financial liabilities*

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' (FVTPL) or other financial liabilities.

#### *Financial liabilities at FVTPL*

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL. A financial liability is classified as held for trading if it is a derivative that is not designated and effective as a hedging instrument. A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if it forms part of a contract containing one or more embedded derivatives, and FRS 26 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

#### *Other financial liabilities*

Other financial liabilities, including trade and other creditors, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method, with interest expense recognised on an effective yield basis.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, where appropriate, a shorter period, to the net carrying value of the financial liability.

#### *De-recognition of financial liabilities*

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled or they expire.

#### *Derivative financial instruments*

The company enters into derivative financial instruments to manage its exposure to foreign exchange rate risk, including forward foreign exchange contracts.

Derivatives are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately.

A derivative is presented as an asset falling due after more than one year or a liability falling due after more than one year if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

#### *Embedded derivatives*

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value, with changes in fair value recognised in profit or loss.

## NOTES TO THE ACCOUNTS (continued)

At 31 March 2009

### 1. ACCOUNTING POLICIES continued

#### *Pensions*

The company provides pension schemes for the benefit of all its employees. The schemes are funded by contributions partly from the employees and partly from the company. These payments are made to separately administered funds for the Group Pension Scheme (GPS) and the Electricity Supply Pension Scheme (ESPS). The Combined Pension Scheme (CPS) is accounted for as a defined contribution scheme; contributions are paid to and benefits are paid by Her Majesty's Government via the Consolidated Fund.

The contributions to each of these schemes are based on independent actuarial valuations designed to secure the benefits as set out in the rules. For those schemes with separately administered funds, the assets are measured using market values whilst the liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality bond of equivalent term and currency to the liability.

The company is unable to identify its share of the underlying assets and liabilities of the GPS and ESPS on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement benefits", accounts for the schemes as if they were defined contribution schemes. As a result, the amounts charged to the profit and loss account represent the contributions payable to the schemes in respect of the financial year.

The company also makes contributions to two industry-wide money purchase pension schemes, the Merchant Navy Officers' Pension Plan and the Merchant Navy Ratings' Pension Plan; all contributions are made to separately administered funds. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Furthermore, the company makes contributions to two industry-wide defined benefit pension schemes, the Merchant Navy Officers' Pension Fund and the Merchant Navy Ratings' Pension Fund; all contributions are made to separately administered funds.

These schemes are funded by payments determined by periodic calculations prepared for the trustees to the schemes by the schemes' professionally qualified actuaries. These contributions are designed to secure the benefits set out in the rules. Having reviewed all the available information regarding the company's liability to fund the deficits in the schemes, the directors have concluded that the "defined benefit" accounting treatment under FRS 17 is appropriate for these schemes.

For the purposes of producing appropriate figures for inclusion in the accounts in accordance with the requirements of FRS 17, a professionally qualified actuary was appointed by the company. The figures have been based on the actuarial calculations which were prepared for the trustees to the schemes and then adjusted to allow for the proportions of the assets and liabilities which the company has been informed are attributable to it and to allow for the differences between the actuarial assumptions used for funding purposes those which are compliant with FRS 17.

The deficits recognised in full on the balance sheet represent the present values of the defined benefit obligations at the balance sheet date, less the fair value of the scheme assets, to the extent that they are attributable to the company. The defined benefit obligations represent the estimated amount of future benefits that employees have earned in return for their services in current and prior periods, calculated using the projected unit method and discounted at a rate representing the yield on a high quality bond at the balance sheet date, denominated in the same currency as the obligations and having the same terms to maturity as the related pension liability, applied to the estimated future cash outflows arising from these obligations. As the resulting deficit is recoverable from the parent undertaking, the NDA, under the company's contractual arrangements, a matching debtor has also been recognised on the balance sheet. Movements in the schemes' deficits are split between operating charges, financing charges and actuarial gains and losses, the latter of which are recorded within the Statement of Total Recognised Gains and Losses.

**NOTES TO THE ACCOUNTS (continued)**

**At 31 March 2009**

**2. TURNOVER**

Turnover, which is stated net of value added tax, primarily represents amounts invoiced to the parent undertaking, the Nuclear Decommissioning Authority (NDA).

Turnover is attributable to two main activities:

- i) the provision of an agency management service to the NDA for the management of contracts, principally in relation to spent nuclear fuel reprocessing and plutonium-based fuel (MOX) manufacture;
- ii) the provision of transport of transportation services for the carriage of nuclear materials.

Turnover and operating profit materially arises from sources and destinations in the UK.

The company also generates a small level of turnover from miscellaneous work in relation to services provided to other companies requiring technical expertise in relation to package approvals and other miscellaneous services.

**3. OPERATING PROFIT/(LOSS)**

This is stated after charging:	<b>2009</b>	2008
	<b>£000</b>	£000
Operating lease rentals: land & buildings	302	-
Operating lease rentals: plant & machinery	1,284	-
Auditors' remuneration - audit of the financial statements	23	5
	<hr/>	<hr/>

**4. STAFF COSTS (including directors' emoluments)**

**(a) Staff costs**

	<b>2009</b>	2008
	<b>£000</b>	£000
Wages and salaries	8,853	-
Social security costs	708	-
Other pension costs	1,133	-
	<hr/>	<hr/>
	<b>10,694</b>	-
	<hr/>	<hr/>

During the year ended 31 March 2008 the company had no employees. On 1 April 2008, under the terms of an Energy Act 2004 transfer scheme, 143 employees were transferred into the company from Sellafield Limited. The average monthly number of direct employees of the company is shown below; in addition the staff costs includes the costs of employing 21 officers and crew who hold direct contracts of employment with the company's subsidiary Pacific Nuclear Transport Limited but who are dedicated to the company's transport business and thus the costs of which are charged directly to the company.

	<b>2009</b>	2008
	<b>No.</b>	No.
Average monthly number of employees	141	-
	<hr/>	<hr/>

**NOTES TO THE ACCOUNTS (continued)**

At 31 March 2009

**4. STAFF COSTS continued**

**(b) Directors' emoluments**

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Aggregate emoluments	<b>421</b>	<b>-</b>

Retirement benefits are accruing to 3 directors (2008: nil) under a defined benefit scheme. The aggregate emoluments for the highest paid director (including pension contributions) are £170,655 (2008: £nil). The accrued pension and pension lump sum for the highest paid director is £41,265 (2008: £nil) and £123,793 (2008: £nil) respectively.

**5. INCOME FROM SHARES IN GROUP UNDERTAKINGS**

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Dividends from subsidiary undertakings	<b>1,178</b>	<b>796</b>

**6. INTEREST RECEIVABLE**

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Expected return on pension scheme assets	<b>184</b>	<b>-</b>
Interest receivable from group undertakings	<b>972</b>	<b>-</b>
Bank interest	<b>220</b>	<b>19</b>
	<b>1,376</b>	<b>19</b>

**7. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Interest on pension scheme liabilities	<b>273</b>	<b>-</b>
Interest payable to parent undertaking	<b>1,065</b>	<b>-</b>
Bank loans and overdrafts	<b>6</b>	<b>-</b>
	<b>1,344</b>	<b>-</b>

**NOTES TO THE ACCOUNTS (continued)**  
**At 31 March 2009**

**8. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<b>2009</b>	2008
	<b>£000</b>	£000
UK corporation tax	(1)	4
	<u>(1)</u>	<u>4</u>

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 28%. The differences are reconciled below:

	<b>2009</b>	2008
	<b>£000</b>	£000
Profit on ordinary activities before taxation	<b>5,506</b>	646
Tax on profit at 28% (2008: 30%)	<b>1,542</b>	194
Effect of non taxable income	<b>(279)</b>	(190)
Group relief surrendered for no payment	<b>(1,263)</b>	-
Adjustment to tax charge in respect of previous periods	<b>(1)</b>	-
	<u>(1)</u>	<u>4</u>
Current year tax (credit)/charge	<u>(1)</u>	<u>4</u>

The company has no deferred tax liability in 2009 (2008: £nil).

**NOTES TO THE ACCOUNTS (continued)**  
**At 31 March 2009**

**9. FIXED ASSET INVESTMENTS**

	£000
Cost at 1 April 2008	2,974
Disposal of subsidiary undertakings (see below)	<u>(1,724)</u>
Cost at 31 March 2009	<u>1,250</u>
Provisions at 1 April 2008	1,724
Disposal of subsidiary undertakings (see below)	<u>(1,724)</u>
Provision at 31 March 2009	<u>-</u>
<b>Net book value at 31 March 2009</b>	<b><u>1,250</u></b>
Net book value at 31 March 2008	<u>1,250</u>

Details of the principal investments in which the Company held more than a 20% participating interest at the balance sheet date are as follows:

<i>Subsidiary Undertaking name</i>	<i>Country of incorporation</i>	<i>Holding</i>	<i>Proportion held</i>	<i>Nature of business</i>
Pacific Nuclear Transport Ltd	Great Britain	Ordinary shares	62.5%	Nuclear transport
Seabird KK	Japan	Ordinary shares	62.5%*	Transport services
International Nuclear Services France	France	Ordinary shares	100%	Transport services
International Nuclear Services Japan kk	Japan	Ordinary shares	100%	Nuclear services

\* held by Subsidiary Undertaking

On the 8<sup>th</sup> April 2008 and 13<sup>th</sup> May 2008 respectively, the company's non trading subsidiaries, Nuclear Transport Limited and Nuclear Flask Hire Limited, were dissolved.

**10. STOCKS**

	2009 £000	2008 £000
Work in progress	1,371	-
	<u>1,371</u>	<u>-</u>

**NOTES TO THE ACCOUNTS (continued)**  
**At 31 March 2009**

**11. FINANCIAL INSTRUMENTS BY CATEGORY**

The accounting classification of each category of financial instruments, and their carrying values, are set out below:

	2009 £000	2008 £000
<b>Financial assets – loans and receivables:</b>		
Amount recoverable from parent undertaking in relation to pension liabilities	1,212	-
Debtors excluding prepayments and VAT (a)	105,253	-
Cash	224	1,504
Current asset investments	<u>6,600</u>	<u>-</u>
	<u>113,289</u>	<u>1,504</u>
<b>Financial liabilities – other financial liabilities:</b>		
Creditors falling due within one year excluding corporation tax, other taxes and social security costs and deferred income (b)	<u>106,983</u>	<u>669</u>

(a) Prepayments and VAT are excluded as this analysis is required only for financial instruments.

(b) Corporation tax, other taxes and social security costs and deferred income are excluded as this analysis is required only for financial instruments.

Generally, financial assets and financial liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the company in undertaking its activities. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which profits and losses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 1.

The fair value of financial instruments represents the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. The directors consider that the carrying amount of loans and receivables and other financial liabilities approximates their fair value.

**12. DEBTORS**

	2009 £000	2008 £000
Trade debtors	204	-
Amounts owed by subsidiary undertakings	104,530	-
Accrued income	494	-
Other debtors	<u>25</u>	<u>-</u>
	<u>105,253</u>	<u>-</u>
Prepayments	11	-
VAT	<u>109</u>	<u>-</u>
	<u>105,373</u>	<u>-</u>

There have been no provisions made for bad debts on the basis that all balances are expected to be recovered. As at 31 March 2009, £82,000 of trade debtor balances was overdue by less than 30 days. Since the end of the financial year all trade debtor balances have been received in full by the company. All other debtor balances are expected to be recovered in full during the course of the financial year ended 31 March 2010.

**NOTES TO THE ACCOUNTS (continued)**

At 31 March 2009

**13. CURRENT ASSET INVESTMENTS**

	2009 £000	2008 £000
Short-term deposits	6,600	-

Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company, and earn interest at the respective short term deposit rates.

**14. CREDITORS: amounts falling due within one year**

	2009 £000	2008 £000
Trade creditors	699	-
Accruals	4,230	6
Amounts owed to parent undertaking	101,222	-
Amounts owed to subsidiary undertakings	63	-
Other creditors	769	663
Accruals and deferred income	106,983	669
Corporation tax	-	4
Other taxes and social security costs	205	-
Deferred income	42	-
	<b>107,230</b>	<b>673</b>

**15. OBLIGATIONS UNDER OPERATING LEASES**

Annual commitments under operating leases are as follows:

	<u>Land and buildings</u>		<u>Other</u>	
	2009 £000	2008 £000	2009 £000	2008 £000
Operating leases which expire:				
Within one year	-	-	47	-
In two to five years	-	-	21	-
In over 5 years	101	-	1,069	-
	<b>101</b>	<b>-</b>	<b>1,137</b>	<b>-</b>

**NOTES TO THE ACCOUNTS (continued)**

At 31 March 2009

**16. SHARE CAPITAL**

	2009 £000	2008 £000
Authorised: 100,000,000 ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid: 64,259,110 ordinary shares of £1 each	<u>64,259</u>	<u>64,259</u>

**17. RESERVES**

	Profit and loss account £000
At 1 April 2008	(62,178)
Profit for the year	5,507
Actual return less expected return on scheme assets	(648)
Experience gains and losses on liabilities	83
Changes in assumptions underlying the present value of pension scheme liabilities	494
Movement in amount recoverable from group undertaking for pension liabilities	71
<b>At 31 March 2009</b>	<u><b>(56,671)</b></u>

**18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2009 £000	2008 £000
Profit for the year	5,507	642
Actual return less expected return on scheme assets	(648)	-
Experience gains and losses on liabilities	83	-
Changes in assumptions underlying the present value of pension scheme liabilities	494	-
Movement in amount recoverable from group undertaking for pension liabilities	71	-
Net addition to shareholders' funds	<u>5,507</u>	<u>642</u>
Opening shareholders' funds	<u>2,081</u>	<u>1,439</u>
Closing shareholders' funds	<u>7,588</u>	<u>2,081</u>

**19. PENSIONS**

The company makes contributions to the following pension schemes:

- Combined Pension Scheme
- Group Pension Scheme
- Electricity Supply Pension Scheme
- Merchant Navy Officers' Pension Plan and Merchant Navy Ratings' Pension Plan
- Merchant Navy Officers' Pension Fund and Merchant Navy Ratings' Pension Fund

## **NOTES TO THE ACCOUNTS (continued)**

**At 31 March 2009**

### **19. PENSIONS *continued***

The amounts in the financial statements for the year ended 31 March 2009, relating to pensions are based on a full actuarial valuation dated 31 March 2006. Scheme assets are stated at their market value, at the respective balance sheet dates. The market value applied for 2009 is based on the current bid price as per the FRS 17 amendment rather than the mid market value as previously used by the company. The additional charge on restatement of pension scheme assets has been dealt with as a charge in the current year and a prior year adjustment to restate prior periods not been made as overall the adjustment is not material to the financial statements.

#### **a) Combined Pension Scheme (CPS)**

The CPS is a multi-employer scheme which provides defined benefits to its members. In common with other unfunded public sector schemes the CPS does not have the attributes of typical private sector schemes. Any surplus of contributions made in excess of benefits paid out in any year is surrendered to the Consolidated Fund and any liabilities are met from the Consolidated Fund via the annual Parliamentary vote. Her Majesty's Government does not maintain a separate fund.

Employer contributions are set using the SCAPE (Superannuation Contributions Adjusted for Past Experience) methodology. The company has a continuing obligation to the CPS to pay contribution rates for active members specified by the actuary in the periodic valuation reports.

The CPS has been accounted for as a defined contribution scheme. The pension charge for the period represents contributions payable by the company to the CPS and amounted to £815,000 (2008: £nil). There were outstanding employer contributions of £68,556 at 31 March 2009 (31 March 2008: £nil).

#### **b) Group Pension Scheme (GPS)**

Whilst the GPS is sectionalised the company is unable to identify its share of the scheme's assets and liabilities on a consistent and reasonable basis as required by FRS 17. Consequently the scheme has been accounted for as a defined contribution scheme. The pension charge for the period represents contributions payable by the company to the GPS and amounted to £91,000 (2008: £nil). There were outstanding employer contributions of £7,421 at 31 March 2009 (31 March 2008: £nil).

#### **c) Electricity Supply Pension Scheme (ESPS)**

Whilst the ESPS is sectionalised the company is unable to identify its share of the scheme's assets and liabilities on a consistent and reasonable basis as required by FRS 17. Consequently the scheme has been accounted for as a defined contribution scheme. The pension charge for the period represents contributions payable by the company to the ESPS and amounted to £14,000 (2008: £nil).

#### **d) Merchant Navy Officers' Pension Plan (MNOFF) and Merchant Navy Ratings' Pension Plan (MNRPP)**

The company makes contributions to two industry-wide defined contribution schemes: the MNOFF and the MNRPP.

The MNOFF is available to officers who are not eligible for the MNOFF but wish to participate in an industry scheme. The MNRPP was set up on closure of the MNRPF and is available to all ratings who wish to participate in an industry scheme. The company's contributions to the MNOFF and MNRPP for the year were £5,000 and £7,000 respectively (2008: £nil for both).

## NOTES TO THE ACCOUNTS (continued)

At 31 March 2009

### 19. PENSIONS *continued*

#### e) Merchant Navy Officers' Pension Fund (MNOPF) and Merchant Navy Ratings' Pension Fund (MNRPF)

The company also makes contributions to two industry wide defined benefit pension schemes: the MNOPF and the MNRPF.

##### ***MNOPF***

The MNOPF 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 the 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 scheme is funded by payments to trusts, which are independent of the participating employers.

The company's contributions to the MNOPF for the year totalled £100,000 (2008: £nil). Agreed contribution rates for this scheme are currently 11.9%. The shortfall in the scheme is expected to be recovered in 2014. The estimated amounts of contributions expected to be paid to the MNOPF scheme during the financial year ending 31 March 2010 is £97,000.

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 latest actuarial valuation at 31 March 2006, indicated that the MNOPF New section was underfunded by £151m with recovery expected by 2014. At 31 March 2006, the MNOPF, New and Old sections were 93% and 107% funded respectively.

The results of the actuarial valuation as at 31 March 2009 were not available at the time of signature of these accounts. The results of the 31 March 2006 valuation were as follows:

	New	Old
Rate of increase in salaries (% per annum)	4.5	Nil
Rate of increase in pension payments (% p.a.)	3.0	3.0
Discount rate (% p.a.)	7.0	4.5
Market value of scheme's assets (£million)	1,931	1,473

##### ***MNRPF***

The MNRPF 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. The scheme is funded by payments to trusts, which are independent of the participating employers. The company's contributions to the MNRPF for the year totalled £27,000 (2008: nil). The estimated amounts of contributions expected to be paid to the MNRPF scheme during the financial year ending 31 March 2010 is £27,000.

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 latest actuarial valuation at 31 March 2005 indicated that the scheme was 86% funded (previously 84%) with underfunding of £94m; the deficit is expected to be fully funded by 2014.

The results of the actuarial valuation as at 31 March 2008 were not available on signature of these accounts. The results of the 31 March 2005 valuation were as follows:

Rate of increase in salaries (% per annum)	4.2
Rate of increase in pension payments (% p.a.)	Nil to 2.7
Discount rate (% p.a.)	5.5
Market value of scheme's assets (£million)	592

**NOTES TO THE ACCOUNTS (continued)**  
**at 31 March 2009**

**19. PENSIONS** *continued*

**FRS 17 valuations for MNOPF (New section) and MNRPF**

i) The valuations for each of the schemes have been updated on a basis consistent with FRS 17. As outlined in note 1, an independent professionally qualified actuary was appointed by the company to prepare FRS 17 calculations. The figures have been based on the actuarial calculations which were prepared for the trustees to the schemes and then adjusted to allow for the proportions of the assets and liabilities which the company has been informed are attributable to it and to allow for the differences between the actuarial assumptions used for funding purposes and those which are compliant with FRS 17. The nature of this process means that the calculations and the resulting deficits are estimates only. However, in the opinion of the directors, the deficits recognised are the best estimates based on information available at the date of approving these Accounts.

The table below summarises the FRS 17 valuations as at 31 March 2009:

	MNOPF (New) £000	MNRPF £000	Total £000
Present value of defined benefit obligations	(2,624)	(1,471)	(4,095)
Fair value of scheme assets	1,768	1,115	2,883
Deficit in scheme	(856)	(356)	(1,212)
Amount recoverable from parent undertaking	856	356	1,212

The major financial assumptions used for the schemes are:

	MNOPF 2009 %	MNRPF 2009 %
Rate of increase in salaries	4.9	4.8
Rate of increase in pensions	3.4	3.3
Inflation assumption	3.4	3.3
Discount rate	6.7	6.8
Post retirement mortality:		
Male pensioner aged 65 (years)	22.5	22.5
Male non pensioner currently aged 45 from age 65 (years)	24.3	24.3

ii) The fair value of the company's share of the assets for each of the schemes are as follows:

	MNOPF (New) 2009 £000	MNRPF 2009 £000
Equities	874	225
Fixed interest gilts	599	244
Corporate bonds	173	561
Property	120	63
Cash	2	22
Market value of assets	1,768	1,115

**NOTES TO THE ACCOUNTS (continued)**  
**at 31 March 2009**

**19. PENSIONS** *continued*

*FRS 17 valuations for MNOFF (New section) and MNRPF (continued)*

iii) The expected rates of return for the schemes are as follows:

	2009 %
Equities	8.0
Fixed interest gilts	4.0
Corporate bonds	6.0
Property	7.0
Cash	0.5

iv) Movements in the present value of defined benefit obligations:

	MNOFF £000	MNRPF £000	Total £000
At 1 April 2008	(2,813)	(1,733)	(4,546)
Current service cost	(34)	-	(34)
Interest cost	(169)	(104)	(273)
Employee contributions	(20)	-	(20)
Actuarial gains	273	304	577
Benefits (refunded)/paid	139	62	201
At 31 March 2009	(2,624)	(1,471)	(4,095)

v) Movements in the fair value of scheme assets:

	MNOFF £000	MNRPF £000	Total £000
At 1 April 2008	2,128	1,273	3,401
Employer contributions	100	27	127
Employee contributions	20	-	20
Actuarial losses	(461)	(187)	(648)
Benefits refunded/(paid)	(139)	(62)	(201)
Expected return on plan assets	120	64	184
At 31 March 2009	1,768	1,115	2,883

*MNOFF and MNRPF: Impact on the company's primary statements*

	2009 £000
<b>Analysis of amount charged to net operating expenses</b>	
Current service cost	34
Net operating charge	34
<b>Analysis of amount credited/(charged) to other finance income</b>	
Expected return on pension scheme assets	184
Interest on pension scheme liabilities	(273)
Net expense	(89)
<b>Analysis of amount recognised in STRGL</b>	
Actual return less expected return on scheme assets	(648)
Experience gains and losses on liabilities	83
Changes in assumptions underlying the present value of pension scheme liabilities	494
Movement in amount recoverable from the NDA	71
Actuarial gain recognised in STRGL	-

**NOTES TO THE ACCOUNTS (continued)**  
**at 31 March 2009**

**19. PENSIONS** *continued*

***MNOPF and MNRPF: History of experience gains and losses***

The history of experience gains and losses are shown below:

	MNOPF (New section)	MNRPF
Experience gains and losses on assets	(461)	(187)
Percentage of scheme assets	26%	17%
Experience gains and losses on liabilities	-	83
Percentage of scheme liabilities	-	6%
Total amount recognised in STRGL	(188)	117
Percentage of scheme liabilities	7%	8%

**20. FINANCIAL RISK MANAGEMENT**

**Capital risk**

The company manages its capital to ensure that it is able to continue as a going concern while maximising the return to shareholders through the maximisation of profit. The company's overall strategy remains unchanged from the previous year. The capital structure of the company consists of equity attributable to the parent undertaking, comprising issued capital and reserves.

**Gearing ratio**

The company does not have a target gearing ratio (the proportion of net debt to equity). The company and its immediate parent undertaking review the capital structure of the company on a regular basis.

**Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The directors do not consider market risk exposure to be material.

**Liquidity risk**

Liquidity risk (also referred to as funding risk) is the risk that an entity will encounter difficulty in realising assets or otherwise raising funds to meet commitments associated with financial instruments. The company is primarily financed through its trading with the parent undertaking. As a result liquidity risk is considered to be low. The company has surplus funds which it invests to earn interest revenue. The investment policy of the company is to hold funds in bank deposits which are invested on a short-term basis in the money market. Liquidity is managed by preparing short and medium-term cash flow forecasts against which the maturity of bank deposits is timed.

**Credit risk**

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. As the company's key customer is the parent undertaking, the directors consider the risk of contractual default to be remote and accordingly the company's exposure to credit risk is low.

There are no significant concentrations of credit risk within the company. The maximum credit risk exposure relating to financial assets is represented by the carrying value of the trade debtors at the balance sheet date. The company has established procedures to minimise the risk of default by customers. Historically, these procedures have proved effective in minimising the level of impaired and past due debt.

## NOTES TO THE ACCOUNTS (continued)

### at 31 March 2009

#### 21. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

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

The company's immediate parent undertaking is the NDA. The NDA's statutory accounts can be obtained from its registered office Herdus House, Westlakes Science and Technology Park, Moor Row, Cumbria, CA24 3HU.

#### 22. RELATED PARTY TRANSACTIONS

The following table summarises the disclosures required by FRS 8 regarding transactions with related parties:

##### 2009

	Investment income	Sales/ (purchases)	Interest receivable/ (payable)	Net balance due from/(to) related party)	Amount recoverable in relation to pension liabilities
	£000	£000	£000	£000	£000
NDA (Note a below)	-	52,938	(1,065)	(101,222)	1,212
NDA Properties Limited	-	(182)	-	-	-
Pacific Nuclear Transport Limited (Note b below)	625	(19,244)	972	104,358	-
INS France	553	(2,052)	-	(63)	-
INS Japan kk	-	(1,242)	-	172	-
Direct Rail Services Limited	-	(26)	-	-	-

a) Represents sales of £53,437,000 net of purchases of £499,000.

b) Represents purchases of £19,836,000 net of sales of £592,000.

##### 2008

	Investment income	Sales/ (purchases)	Interest receivable/ (payable)	Net balance due from/(to) related party)	Amount recoverable in relation to pension liabilities
	£000	£000	£000	£000	£000
Pacific Nuclear Transport Limited	625	-	-	-	-
Nuclear Flask Hire Limited	171	-	-	-	-