

**MITSUBISHI CORPORATION (UK) PLC**

**Report and Financial Statements**

**Year ended 31 December 2001**



**Deloitte & Touche  
Hill House  
1 Little New Street  
London EC4A 3TR**

**REPORT AND FINANCIAL STATEMENTS 2001**

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**REPORT AND FINANCIAL STATEMENTS 2001**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

M Takashima  
M Asaoka  
H Nomura  
S Suzuki

**SECRETARY**

H Inada

**REGISTERED OFFICE**

Mid City Place  
71 High Holborn  
London WC1V 6BA

**SOLICITORS**

Clifford Chance

**AUDITORS**

Deloitte & Touche  
Chartered Accountants  
Hill House  
1 Little New Street  
London EC4A 3TR

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 December 2001.

### **PRINCIPAL ACTIVITIES**

The company's principal activities are those of trading in a broad range of commodities, technologies, industrial and consumer products, and the provision of services, including financing.

### **RESULTS AND DIVIDENDS**

Profit for the year after taxation amounted to £1,248,000 (2000 – £1,827,000).

The directors recommend that no dividend is paid this year (2000: £nil).

### **BUSINESS DEVELOPMENT AND FUTURE PROSPECTS**

The company continues to explore new markets and business opportunities. This year the company has performed satisfactorily despite adverse difficulties in certain areas of the business.

The company expects increased stability in the markets generally and hopes to see profits increase next year.

### **DIRECTORS AND THEIR INTERESTS**

The current directors are shown on page 1. The directors who served during the year and up to the date of this report were:

H Nemichi	resigned 4 June 2001	H Nomura	appointed 3 September 2001
M Asaoka		S Suzuki	appointed 3 September 2001
T Hanaoka	resigned 3 September 2001	M Takashima	appointed 4 June 2001

During the year none of the directors had any beneficial interests, as defined by the Companies Act 1985, in the share capital of the company or any other group company incorporated in the United Kingdom, or the ultimate parent company.

### **CHARITABLE CONTRIBUTIONS**

Contributions made to charities during the year amounted to £135,565 (2000 – £10,730).

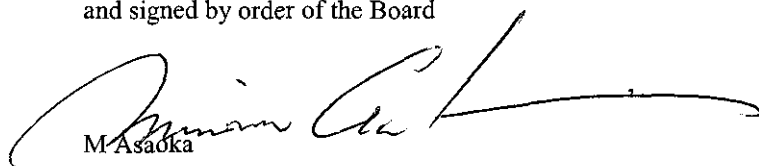
### **CREDITORS**

The company aims to make payment under agreed terms. During the year average payment was made in approximately 30 days (2000 – approximately 30 days).

### **AUDITORS**

Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed by order of the Board



M Asaoka

Managing Director

24 May 2002

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of 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 accounting standards have been followed; and
- prepare the financial statements on a 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the system of internal control and safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MITSUBISHI CORPORATION (UK) PLC**

We have audited the financial statements of Mitsubishi Corporation (UK) plc for the year ended 31 December 2001 which comprise the profit and loss account, the balance sheet and the related notes 1 to 21. These financial statements have been prepared under the accounting policies set out therein.

### **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 financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, 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 company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **Basis of 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 financial statements. It also includes an assessment of the significant estimates and judgements 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 of the state of the company's affairs as at 31 December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Chartered Accountants and Registered Auditors

Hill House  
1 Little New Street  
London EC4A 3TR

24 May 2002

**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 December 2001**

	Note	2001 £'000	2000 £'000
<b>TURNOVER</b>	2	1,589,559	1,274,753
Cost of sales		(1,574,283)	(1,256,546)
Gross profit		15,276	18,207
Administrative expenses (including exceptional items of £nil (2000: £2,787,000))	4	(17,267)	(20,248)
Other operating income		5,417	5,702
<b>OPERATING PROFIT</b>	4	3,426	3,661
Income from shares in group undertakings		271	167
Interest receivable and similar income	5	15,563	18,983
Interest payable and similar charges	6	(17,459)	(20,184)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,801	2,627
Tax on profit on ordinary activities	7	(553)	(800)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	16	1,248	1,827
Retained profit brought forward		15,270	13,443
Retained profit carried forward		16,518	15,270

All of the company's operations for both the current and the preceding financial years fall into the category of "Continuing Operations" as defined in Financial Reporting Standard 3.

There were no recognised gains or losses attributable to shareholders for the current or the preceding financial years other than as shown above.

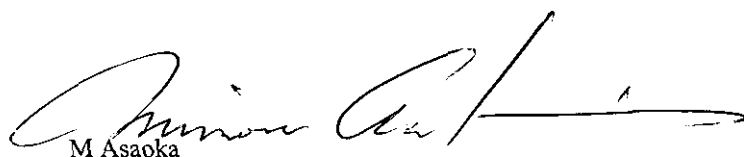
There is no material difference between the profit on ordinary activities before taxation and the profit for the current period stated above, and their historical cost equivalents.

**BALANCE SHEET**  
**31 December 2001**

	Note	2001 £'000	2000 £'000
<b>FIXED ASSETS</b>			
Intangible assets	8	175	-
Tangible assets	9	906	890
Investments	10	16,861	6,803
		<u>17,942</u>	<u>7,693</u>
<b>CURRENT ASSETS</b>			
Stocks	11	166,131	48,943
Debtors			
Due within one year	12	545,394	421,800
Due after more than one year	12	20,190	26,101
Cash at bank and in hand		7,989	17,190
		<u>739,704</u>	<u>514,034</u>
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(681,077)</u>	<u>(425,771)</u>
<b>NET CURRENT ASSETS</b>		<u>58,627</u>	<u>88,263</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>76,569</u>	<u>95,956</u>
<b>CREDITORS: amounts falling due after more than one year</b>	14	<u>(26,401)</u>	<u>(47,036)</u>
		<u>50,168</u>	<u>48,920</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	33,650	33,650
Profit and loss account		16,518	15,270
<b>FUNDS ATTRIBUTABLE TO EQUITY SHAREHOLDERS</b>	16	<u>50,168</u>	<u>48,920</u>

These financial statements were approved by the Board of Directors on 24 May 2002.

Signed on behalf of the Board of Directors



M Asaoka

Managing director



## NOTES TO THE ACCOUNTS

Year ended 31 December 2001

### 1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

#### Accounting convention

The financial statements are prepared under the historical cost convention, as modified by the valuation of liquid commodity contracts as discussed below.

#### Group accounts

The company has taken advantage of s229(2) of the Companies Act 1985 and has not prepared group accounts since, in the opinion of the directors, they would be of no real value to the members of the company in view of the insignificance of the amounts involved. The company's financial statements present information about it as an individual undertaking and not as a group.

#### Cash flow statement

The company has not prepared a cash flow statement following the revision of FRS1 on the basis that the ultimate parent company produces consolidated accounts, which include a cash flow statement, into which the company's accounts are fully consolidated.

#### Intangible fixed assets

Concessions, patents, licences, trademarks, and similar rights and assets are valued at cost on acquisition and are amortised in equal annual amounts over their useful economic lives (five years).

#### Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided against cost in equal annual instalments over the estimated useful life of the asset. Office equipment has an estimated useful life of three or four years and other assets have an estimated useful life of four years.

#### Investments

Investments held as fixed assets are stated at cost less any provision required to reflect an impairment in value.

#### Derivative financial instruments

The company uses futures commodity contracts to hedge the price risk of certain commodities that it trades. Open positions on liquid commodities are valued at market value at the year end. This represents a change from previous policy where futures profits and losses were matched against physical deliveries and a profit deferral made. There is no material effect on the reported results in either the current or preceding year of this change in policy.

#### Stocks

Stocks consist of goods for resale stated at the lower of cost and net realisable value. Cost includes all the expenditure incurred in bringing stocks to their present location and condition. Stocks of liquid traded commodities are valued at market value at the year end.

#### Turnover

The turnover recognised is that for which the company has entered into any transaction at its own risk as principal, or in the case of disclosed agency or brokerage transactions, the commission receivable.

#### Foreign exchange

Assets and liabilities denominated in foreign currencies have been translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are translated at the rates prevailing on the dates of the transactions. Resulting differences on translation are charged or credited to the profit and loss account.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**1. ACCOUNTING POLICIES (continued)**

**Leases**

Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the period of the leases. Further details are given in note 18 to the accounts. For operating leases where the company acts as lessor, the assets have been recorded as fixed assets and depreciated over their useful lives. Rental income is credited to the profit and loss account in equal instalments over the period of the lease.

**Pension costs**

The company operates a defined benefit pension scheme. The expected cost of providing pensions, as calculated periodically by professionally qualified actuaries, is charged to the profit and loss account so as to spread the cost over the service lives of employees in the scheme in such a way that the pensions cost is a substantially level percentage of current and expected future pensionable payroll. Further details of the scheme are given in note 19 to the accounts.

**2. TURNOVER**

Turnover represents:

- gross sales with respect to transactions in which the company is named as principal;
- commission receivable for transactions in which the company acts as a disclosed settlement agent; and
- brokerage commission receivable.

Turnover comprises:

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Principal	1,584,356	1,256,011
Agency	1,008	14,941
Brokerage	4,195	3,801
	<u>1,589,559</u>	<u>1,274,753</u>

In the opinion of the directors it is seriously prejudicial to the interests of the company and not meaningful to give an analysis of turnover, profit or net assets by geographical area. The directors are also of the opinion that the company's trading business constitutes one class of activity.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
<b>Directors' emoluments:</b>		
Other emoluments	369	679
Pension contributions	-	-
	<u>369</u>	<u>679</u>
Remuneration of the highest paid director (excluding pension contributions)	175	238
Amount of accrued pension of the highest paid director	-	-
	<u>No.</u>	<u>No.</u>
Number of directors who are members of the company pension scheme	-	-
	<u>No.</u>	<u>No.</u>
<b>Average number of persons employed</b>		
Trading and administration	151	142
	<u>£'000</u>	<u>£'000</u>
<b>Employee costs (excluding directors' emoluments)</b>		
Wages and salaries	4,336	3,910
Social security costs	403	324
Other pension costs	331	282
Cost in respect of parent company's employees	3,980	5,587
	<u>9,050</u>	<u>10,103</u>

**4. OPERATING PROFIT**

Operating profit is stated after charging the following amounts:

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Depreciation of tangible and amortisation of intangible fixed assets (notes 8 and 9)	450	514
Exceptional items	-	2,787
Rentals under operating leases other than hire of plant and machinery	1,111	1,223
Auditors' remuneration:		
Audit	110	98
Other fees	102	140

In the prior year the exceptional items comprised bad debt provisions of £1,861,000 and a provision for expected losses on an onerous contract of £926,000.

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2001**

**5. INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Amounts receivable from group undertakings	10,993	11,583
Other interest receivable and similar income	4,570	7,400
	<u>15,563</u>	<u>18,983</u>

**6. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Interest on bank loans and overdrafts repayable within five years	16,528	17,626
Interest payable to group undertakings	866	2,470
Other interest payable	65	88
	<u>17,459</u>	<u>20,184</u>

**7. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Adjustment in respect of prior periods	(41)	-
United Kingdom corporation tax at 30% (2000 – 30%) based on the profit for the year	594	800
Tax charge for the year	<u>553</u>	<u>800</u>

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**8. INTANGIBLE ASSETS**

	<b>Patents, licences and concessions £'000</b>
<b>Cost</b>	
At 1 January 2001	-
Additions	-
Transfers	250
	<hr/>
At 31 December 2001	250
	<hr/>
<b>Accumulated amortisation</b>	
At 1 January 2001	-
Charge for the year	50
Transfers	25
	<hr/>
At 31 December 2001	75
	<hr/>
<b>Net book value</b>	
At 31 December 2001	175
	<hr/> <hr/>
At 31 December 2000	-
	<hr/> <hr/>

Intangible assets represent an assigned concession.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**9. TANGIBLE FIXED ASSETS**

	<b>Furniture, fixtures and fittings £'000</b>	<b>Office equipment £'000</b>	<b>Assets in the course of construction £'000</b>	<b>Total £'000</b>
<b>Cost</b>				
At 1 January 2001	2,456	7,104	116	9,676
Additions	-	225	416	641
Transfers	11	(145)	(116)	(250)
Disposals	-	(29)	-	(29)
At 31 December 2001	2,467	7,155	416	10,038
<b>Accumulated depreciation</b>				
At 1 January 2001	2,439	6,347	-	8,786
Charge for the year	9	391	-	400
Transfers	-	(25)	-	(25)
Disposals	-	(29)	-	(29)
At 31 December 2001	2,448	6,684	-	9,132
<b>Net book value</b>				
At 31 December 2001	19	471	416	906
At 31 December 2000	17	757	116	890

**10. INVESTMENTS HELD AS FIXED ASSETS**

	<b>Shares in subsidiary undertaking £'000</b>	<b>Shares in other group undertakings £'000</b>	<b>Shares in participating interests £'000</b>	<b>Other investments other than loans £'000</b>	<b>Total £'000</b>
<b>Cost</b>					
At 1 January 2001	50	4,342	227	2,449	7,068
Additions	-	9,882	-	1,160	11,042
Revaluations	-	10	-	-	10
Disposals	-	-	-	(924)	(924)
At 31 December 2001	50	14,234	227	2,685	17,196
<b>Provision</b>					
At 1 January 2001	-	70	165	30	265
Disposals	-	-	-	(30)	(30)
Charge for the year	-	100	-	-	100
At 31 December 2001	-	170	165	-	335
<b>Net book value</b>					
At 31 December 2001	50	14,064	62	2,685	16,861
At 31 December 2000	50	4,272	62	2,419	6,803

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2001**

**10. INVESTMENTS HELD AS FIXED ASSETS (continued)**

**Shares in subsidiary undertaking**

The shares in a subsidiary undertaking represent a 100% holding and equivalent voting rights in the share capital of MC (Operations) Limited, a company incorporated in Great Britain and registered in England and Wales. The company is involved in providing property management and related services.

**Shares in other group undertakings**

Included within shares in other group undertakings is a £990,000 investment representing a 20% shareholding in MC Imaging Limited, a company incorporated in Great Britain and registered in England and Wales. It is involved in the printing and photographic industry.

Also included within shares in other group undertakings is £410,981 representing a 10% shareholding in the ordinary share capital of ERB Autokredit AG, a Swiss registered motor vehicle finance company and £649,248 representing a 30% holding and equivalent voting rights in the ordinary share capital of MC Portugal Lda, a subsidiary of MC International NV; this company is incorporated in Portugal and is involved in importing and distribution. There is also an amount of £120,000 representing a 20% shareholding in the ordinary share capital of Tredia Europe Ltd, a company incorporated in Great Britain and registered in England and Wales and an investment of £9,762,000 representing a 30% share in an investment to redevelop the former company offices at Bow Bells House in London.

All other group undertakings are ultimately controlled by Mitsubishi Corporation, Japan.

**Participating interests**

Included within participating interests is a £165,000 investment representing a 33% holding in Polymers International (UK) Limited, a company incorporated in Great Britain and registered in England and Wales. The company is involved in importing and distribution. This investment is fully provided for.

Also included within shares in participating interests is a £62,500 investment representing a 25% holding in Mit-Sun International Trading Company Limited, a company incorporated in Jersey. The company is involved in importing and distribution.

**Profit and net assets of associates**

	Year ended	Total of share capital and reserves £'000	Profit/(loss) for the year £'000
Diamond Seafoods (UK) Limited	31/12/00	2,948	709
MC (Operations) Limited	31/12/00	100	50
MC Portugal LDA	31/12/01	1,814	31
ERB Autokredit AG	31/12/00	58,347	3,297
Bow Bells House	31/12/01	34,205	1,705
MC Imaging Limited	31/12/00	4,767	(34)

All the above investments are unlisted.

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**11. STOCKS**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Finished goods and goods for resale	166,131	48,943

The replacement cost of stocks held at 31 December 2001 and 31 December 2000 was not significantly different from the amounts at which stocks are stated in the financial statements.

**12. DEBTORS**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Amounts due within one year:		
Trade debtors	147,912	113,045
Amounts owed by parent company and fellow subsidiary undertakings	358,111	279,033
Loans to third parties	14,029	24,215
Prepayments and accrued income	25,342	5,507
	<u>545,394</u>	<u>421,800</u>
Amounts due after more than one year:		
Trade debtors	486	499
Amounts owed by parent company and fellow subsidiary undertakings	16,978	8,810
Loans to third parties	2,726	16,792
	<u>20,190</u>	<u>26,101</u>
Total debtors	<u>565,584</u>	<u>447,901</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Bank loans and overdrafts (unsecured)	424,780	283,502
Trade creditors	157,327	77,107
Amounts owed to parent company and fellow subsidiary undertakings	83,157	54,470
Taxation and social security	484	2,087
Accruals and deferred income	15,329	8,605
	<u>681,077</u>	<u>425,771</u>



**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Bank loans (unsecured)	-	13,139
Trade creditors	-	181
Amounts owed to fellow subsidiary undertakings	26,401	33,716
	<u>26,401</u>	<u>47,036</u>

The maturity of the debt is as follows:

	<b>Bank</b>	<b>2001</b>	<b>Total</b>	<b>Bank</b>	<b>2000</b>	<b>Total</b>
	<b>£'000</b>	<b>Other</b>	<b>£'000</b>	<b>£'000</b>	<b>Other</b>	<b>£'000</b>
Amounts due between one and two years	-	26,401	26,401	-	12,222	12,222
Amounts due between two and five years	-	-	-	13,139	21,675	34,814
	<u>-</u>	<u>26,401</u>	<u>26,401</u>	<u>13,139</u>	<u>33,897</u>	<u>47,036</u>

**15. CALLED UP SHARE CAPITAL**

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
<b>Authorised:</b>		
50,000,000 ordinary shares of £1 each	50,000	50,000
<b>Allotted and fully paid:</b>		
33,650,000 ordinary shares of £1 each	33,650	33,650

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

	<b>2001</b>	<b>2000</b>
	<b>£'000</b>	<b>£'000</b>
Profit for the financial year	1,248	1,827
Opening shareholders' funds	48,920	47,093
Closing shareholders' funds	<u>50,168</u>	<u>48,920</u>

**NOTES TO THE ACCOUNTS**  
**Year ended 31 December 2001**

**17. CONTINGENT LIABILITIES**

Contingent liabilities at the year end incurred in the ordinary course of business are as follows:

	2001 £'000	2000 £'000
Commitments to honour the repayment of loan obligations	227	222

Under the normal course of business the company may arrange bank guarantees for suppliers.

**18. OPERATING LEASE COMMITMENTS**

At 31 December 2001, the company was committed to making the following payments during the next year in respect of operating leases:

	Land and buildings £'000
Leases which expire:	
Within one year	330

**19. PENSION SCHEME**

The Mitsubishi Corporation Retirement Benefits Scheme ("the Scheme") is a multi-employer, funded defined benefit pension scheme operated for the benefit of the employees of Mitsubishi Corporation (UK) PLC (the Principal Employer) and certain employees of associated companies. The employers, collectively, do not constitute a "group" for reporting purposes.

The Scheme is administered by Trustees who are appointed by the Principal Employer. They are advised by Buck Consultants Limited and an appointed Scheme actuary. The Scheme's assets are managed by Friends Ivory & Sime and Fidelity Pensions Management.

An actuarial valuation is performed every three years, the latest as at 1 April 2001. The results of the 2001 valuation showed an MFR funding level of 126.8%. The on-going valuation, which was performed using the Projected Unit Funding method, showed that the assets of the Scheme, on a market value basis, amounted to £18,221,000 and were sufficient to secure 116.2% of the liabilities of the Scheme based on projected final salaries. The main assumptions used in the valuation were an investment return of 6.85% before retirement and 6.00% after retirement, salary increases of 3.90% per annum and increases in pensions in payment of 3.00% per annum for pre-April 1997 accruals and 3.250% per annum for post-April 1997 accruals.

The company believes it is not possible to determine its share of the underlying assets and liabilities of the Scheme on a consistent and reliable basis. The charge for the year in the profit and loss account represents contributions made by the company in accordance with the advice of the actuary and the Schedule of Contributions. The surplus in the Scheme will impact the company through adjustments to the company's on-going contributions to the Scheme, which were 12.00% of basic salaries at the reporting date. The employers "Standard Contribution Rate" determined by the April 2001 valuation was 15.60% of basic salaries.

The pension charge for the year in respect of employees was £330,959 (2000 – £282,460). The lower company contribution in the prior year was due to a brief contribution "holiday" offsetting unexpected additional income received by the Scheme.

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2001**

**20. IMMEDIATE AND ULTIMATE PARENT COMPANY**

In the opinion of the directors, the company's ultimate parent company and controlling entity is Mitsubishi Corporation, a company incorporated in Japan. The immediate parent company is Mitsubishi Corporation International NV.

Copies of the group financial statements of the ultimate parent company can be obtained from Mitsubishi Corporation, Department AA-F, 6-3 Marunouchi 2-Chome, Chiyoda-ku, Tokyo 100-86, Japan. The immediate parent company does not prepare group financial statements.

**21. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption from related party disclosures available in Financial Reporting Standard No.8 - Related Party Disclosures, as the consolidated financial statements of the ultimate parent company are publicly available as noted above.