

Registered no: 2480708

Celab Power Management Limited
Annual report
for the year ended 31 December 1997



Celab Power Management Limited

Annual report for the year ended 31 December 1997

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Directors and advisers

Executive directors

B C D Wood - Chairman & Managing
R Mier

Secretary and registered office

R Mier
25 Woolmer Way
Bordon
Hampshire
GU35 9QE

Auditors

Coopers & Lybrand
9 Greyfriars Road
Reading
RG1 1JG

Bankers

Midland Bank Plc
33 The Borough
Farnham
Surrey
GU9 7NJ

**Directors' report
for the year ended 31 December 1997**

The directors present their report and the audited financial statements for the year ended 31 December 1997.

Principal activity

The principal activity is that of holding company of Celab Limited, a company which designs, manufactures and markets electronic power supply equipment.

Review of business and future developments

During the year Celab Limited increased its turnover by more than 50% and, in spite of disproportionate expenses generated by this growth, still showed a net profit of 4%.

It is the opinion of the directors that the future prospects of the company and its subsidiary are good.

Results

The profit for the year after taxation amounted to £1,190 (1996: £464).

The directors do not recommend the payment of a dividend.

Directors

The directors of the company at 31 December 1997, both of whom had been directors for the whole of the year ended on that date, were:

B C D Wood
R Mier

Directors' interests in shares of the company

The interests of the directors at 31 December 1997 in the shares of the company were:

	Number of ordinary shares £1 each	
	31 December 1997	31 December 1996
B C D Wood	2,600	2,600
R Mier	1,000	1,000

No director had any interest in any contracts with the company.

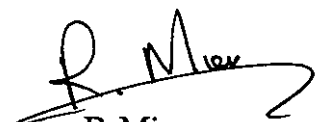
Close Company

The company is a close company under the provisions of the Income and Corporation Taxes Act 1988.

Auditors

A resolution to reappoint the auditors, Coopers & Lybrand, will be proposed at the annual general meeting.

By order of the board



R Mier
Company secretary

Statement of directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that 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.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 December 1997. The directors also confirm that applicable accounting standards have been followed and that the statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



B C D Wood
Managing Director

Report of the auditors to the members of Celab Power Management Limited

We have audited the financial statements on pages 6 to 11.

Respective responsibilities of directors and auditors

As described on page 4, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

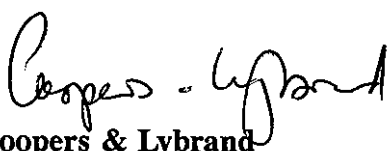
Basis of opinion

We conducted our audit in accordance with 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 at 31 December 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Coopers & Lybrand
Chartered Accountants and Registered Auditors
Reading

14 July 1998

**Profit and loss account
for the year ended 31 December 1997**

	Notes	1997 £	1996 £
Income from shares in group undertakings		4,000	4,000
Administrative expenses		4,297	4,789
Operating loss		(297)	(789)
Interest receivable		1,487	1,253
Profit on ordinary activities before taxation	4	1,190	464
Taxation	5	-	-
Retained profit for the financial year	10	1,190	464

All of the activities of the company are continuing activities as defined by Financial Reporting Standard 3.

The company has no recognised gains and losses other than those included in the profits above, and therefore no separate statement of total recognised gains and losses has been presented.

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

Balance sheet at 31 December 1997

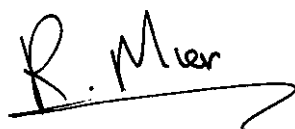
	Notes	1997 £	1996 £
Fixed assets			
Investments	6	36,894	36,894
Current assets			
Debtors	7	4,120	4,091
Cash at bank and in hand		44,226	42,768
		48,346	46,859
Creditors: amounts falling due within one year	8	14,383	14,086
Net current assets		33,963	32,773
Net assets		70,857	69,667
Capital and reserves			
Called-up share capital	9	5,000	5,000
Profit and loss account	10	65,857	64,667
Equity shareholders' funds	11	70,857	69,667

The financial statements on pages 6 to 11 were approved by the board of directors on 13th July 1998 and were signed on its behalf by:

B C D Wood
Managing Director



R Mier
Finance Director



**Notes to the financial statements
for the year ended 31 December 1997****1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention.

Group financial statements

The financial statements contain information about Celab Power Management Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a small group.

Cash flow

The company is the parent of a small group as defined by the Companies Act 1985. Consequently, the company is exempt under the terms of Financial Reporting Standard No 1 from publishing a cash flow statement.

Fixed asset investment

Fixed asset investments are stated at cost less provision for any permanent diminution in value. Income from investments is included in the profit and loss account on an accruals basis.

2 Directors' emoluments

The remuneration paid to the directors of Celab Power Management Limited in respect of their capacity as directors of Celab Limited was:

	1997 £	1996 £
Emoluments	107,416	92,354
Company pension contributions to defined contribution schemes	16,086	15,515
	<u>123,502</u>	<u>107,869</u>

2 directors accrued benefits under a defined contribution pension scheme.

3 Employee information

There were no employees of the company during the year.

4 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	1997 £	1996 £
Auditors' remuneration for audit	<u>625</u>	<u>625</u>

5 Taxation

No taxation arises on the result for the year.

6 Fixed asset investments

	Cost of investment in group undertakings £
Cost	
At 1 January 1997 and 31 December 1997	<u>36,894</u>

The fixed asset investment comprises:

Name	Country of registration	% of ordinary shares held	Latest financial statements	Share capital & reserves	Profit for year
Celab Limited	England	100%	31.12.97	£1,219,073	£146,102

Celab Limited designs, manufactures and markets electronic power supply equipment.

7 Debtors

	1997 £	1996 £
Amounts falling due within one year		
Dividends receivable	4,000	4,000
Prepayments and accrued income	120	91
	<u>4,120</u>	<u>4,091</u>

8 Creditors: amounts falling due within one year

	1997 £	1996 £
Amounts owed to subsidiary undertaking	4,234	3,944
Other creditors	9,367	9,367
Accruals and deferred income	782	775
	<u>14,383</u>	<u>14,086</u>

9 Called-up share capital

	1997 £	1996 £
Authorised, allotted, called up and fully paid 5,000 ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>

10 Profit and loss account

	£
At 1 January 1997	64,667
Profit for the year	1,190
At 31 December 1997	<u>65,857</u>

11 Reconciliation of movements in shareholders' funds

	1997 £	1996 £
Profit for the financial year	1,190	464
Opening shareholders' funds	<u>69,667</u>	<u>69,203</u>
Closing shareholders' funds	<u>70,857</u>	<u>69,667</u>

12 Controlling party

Mr B Wood, the chairman, is the controlling party by virtue of his controlling interest in the company's share capital.