

Registered no: 2480708

Celab Power Management Limited
Annual report
for the year ended 31 December 1998



Celab Power Management Limited

Annual report for the year ended 31 December 1998

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Celab Power Management Limited

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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

PricewaterhouseCoopers
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 1998

The directors present their report and the audited financial statements for the year ended 31 December 1998.

Principal activity

The profit and loss account for the year is set out on page 6.

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

In 1998 Celab Limited achieved a satisfactory result against a background of changing market conditions.

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

Year 2000

The directors have assessed the risk associated with the year 2000. The company's principal activity will not be affected by this event and plans have been implemented to solve significant problems in administration systems. The cost of this is not considered to be significant.

Dividends

The directors do not recommend payment of a dividend.

Directors

The directors of the company at 31 December 1998, both of whom have been directors for the whole of the year ended on that date, are listed below:

B C D Wood
R Mier

Directors' interests in shares of the company

The interests of the directors at 31 December 1998 in the shares of the company were:

	Number of ordinary shares £1 each	
	31 December 1998	31 December 1997
B C D Wood	2,600	2,600
R Mier	1,000	1,000

Celab Power Management Limited

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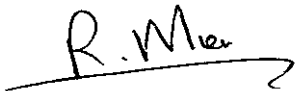
Close Company

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

Auditors

Our auditors, Coopers & Lybrand, merged with Price Waterhouse on 1 July 1998, following which Coopers & Lybrand resigned and the directors appointed the new firm, PricewaterhouseCoopers, as auditors. A resolution to reappoint PricewaterhouseCoopers as auditors of the company will be proposed at the annual general meeting.

By order of the board

A handwritten signature in dark ink, appearing to read 'R. Mier', with a long horizontal flourish extending to the right.

R Mier
Company secretary

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible 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

The directors are responsible for preparing the Annual Report, including as described on page 4 the financial statements. Our responsibilities, as independent auditors, are established by statute, the Auditing Practices Board and our profession's ethical guidance.

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. We also report to you 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 is not disclosed.

We read the other information contained in the Annual Report 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 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 1998 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

PricewaterhouseCoopers

PricewaterhouseCoopers
Chartered Accountants and Registered Auditors
Reading

24 May 1999

**Profit and loss account
for the year ended 31 December 1998**

	Notes	1998 £	1997 £
Income from shares in group undertakings		4,000	4,000
Administrative expenses		4,246	4,297
Operating loss		(246)	(297)
Interest receivable	4	3,344	1,487
Profit on ordinary activities before taxation	5	3,098	1,190
Tax on profit on ordinary activities	6	-	-
Retained profit for the financial year	11	3,098	1,190

The results for the years above are derived from continuing activities.

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.

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Balance sheet at 31 December 1998

	Notes	1998 £	1997 £
Fixed assets			
Investments	7	<u>36,894</u>	<u>36,894</u>
Current assets			
Debtors	8	4,080	4,120
Cash at bank and in hand		<u>44,895</u>	<u>44,226</u>
		48,975	48,346
Creditors: amounts falling due within one year	9	<u>11,914</u>	<u>14,383</u>
Net current assets		<u>37,061</u>	<u>33,963</u>
Net assets		<u>73,955</u>	<u>70,857</u>
Capital and reserves			
Called-up share capital	10	5,000	5,000
Profit and loss account	11	<u>68,955</u>	<u>65,857</u>
Equity shareholders' funds	12	<u>73,955</u>	<u>70,857</u>

The financial statements on pages 6 to 11 were approved by the board of directors on 24th May 1999 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 1998****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 (Revised) 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:

	1998 £	1997 £
Aggregate emoluments	89,285	107,416
Company pension contributions to defined contribution scheme	17,419	16,086
	<u> </u>	<u> </u>

Retirement benefits are accruing to 2 directors (1997: 2) under the company's defined contribution scheme.

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3 Employee information

There were no employees of the company during the year.

4 Interest receivable

	1998 £	1997 £
Bank interest	659	1,487
Interest from group undertaking	2,685	-
	<u>3,344</u>	<u>1,487</u>

5 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	1998 £	1997 £
Auditors' remuneration for audit	<u>655</u>	<u>625</u>

6 Taxation

No taxation arises on the result for the year.

7 Fixed asset investments

	Investment in group undertakings £
Cost	
At 1 January 1998 and 31 December 1998	<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%	31.12.98	£1,384,277	£169,204

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

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8 Debtors

	1998 £	1997 £
Amounts falling due within one year		
Dividends receivable	4,000	4,000
Prepayments and accrued income	80	120
	<u>4,080</u>	<u>4,120</u>

9 Creditors: amounts falling due within one year

	1998 £	1997 £
Amounts owed to group undertaking	1,842	4,234
Other creditors	9,367	9,367
Accruals and deferred income	705	782
	<u>11,914</u>	<u>14,383</u>

10 Called-up share capital

	1998 £	1997 £
Authorised, allotted, called up and fully paid 5,000 ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>

11 Profit and loss account

	£
At 1 January 1998	65,857
Retained profit for the year	3,098
	<u>68,955</u>
At 31 December 1998	

12 Reconciliation of movements in shareholders' funds

	1998 £	1997 £
Profit for the financial year	3,098	1,190
Opening shareholders' funds	70,857	69,667
	<u>73,955</u>	<u>70,857</u>
Closing shareholders' funds		

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13 Controlling party

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