

Registered no: 2480708

Celab Power Management Limited
Annual report
for the year ended 31 January 2006



Celab Power Management Limited

Annual report for the year ended 31 January 2006

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Directors and advisers

Directors

R Mier
B C D Wood
S E Markert
R T Marley
G Neophitou

Company secretary and registered office

J B Hatcher
1 Tanners Drive
Blakelands North
Milton Keynes
MK14 5BU

Auditors

PricewaterhouseCoopers LLP
Exchange House
Central Business Exchange
Midsummer Boulevard
Central Milton Keynes
MK9 2DF

Solicitors

Ashurst Morris Crisp
Broadwalk House
5 Appold Street
London
EC2A 2HA

Bankers

HSBC Bank plc
33 The Borough
Farnham
Surrey
GU9 7NJ

Registered Number

2480708

Directors' report for the year ended 31 January 2006

The directors present their report and the audited financial statements of the company for the year ended 31 January 2006.

Principal activity

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

Review of business and future developments

On the 11th April 2006 Celab Limited, the subsidiary of Celab Power Management Limited, changed its name to C&D Technologies (Celab) Limited.

C&D Technologies (Celab) Limited has traded profitably throughout the period and it is the opinion of the directors that the future prospects of the company and its subsidiary are good.

Results and dividends

The profit and loss account for the year is set out on page 5.

An interim dividend of £160,197 per ordinary £1 share was paid on 27th May, 2005 amounting to £800,986 (13 month period ended 31st January 2005 – £1,500,000).

The directors do not recommend payment of a final dividend (13 month period ended 31st January 2005 – nil).

Directors and their interests

The directors who held office during the period are given below:

B C D Wood

R Mier

J D Johnson (resigned 12th September, 2005)

S E Markert

R T Marley

G O Neophitou

Directors' report for the year ended 31 January 2006 - contd

The interests of the directors in shares and share options in the parent company C&D Technologies Inc. \$0.01 shares were:

	Ordinary shares		Options on ordinary shares				
	1 Feb 2005	31 Jan 2006	1 Feb 2005	Granted	Exercised	Forfeited	31 Jan 2006
B C D Wood	Nil	Nil	Nil	Nil	Nil	Nil	Nil
R Mier	Nil	Nil	2,100	2,100	Nil	Nil	4,200
C J Wood	Nil	Nil	3,000	3,600	Nil	Nil	6,600
G O Neophitou	Nil	Nil	14,800	4,800	Nil	Nil	19,600
S E Markert	16,136	16,136	187,780	16,000	Nil	Nil	203,780
J D Johnson	4,346	4,419	71,220	16,500	16,500	71,220	Nil
RT Marley	2,165	3,569	48,320	16,200	6,100	Nil	58,420

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. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

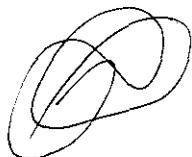
The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 January 2006 and that applicable accounting standards have been followed.

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.

Auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the annual general meeting.

By order of the Board



JB Hatcher
Secretary
24th May, 2006

**Independent auditors' report to the members of
Celab Power Management Limited**

We have audited the financial statements of Celab Power Management Limited for the year ended 31st January 2006 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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 law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 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 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.

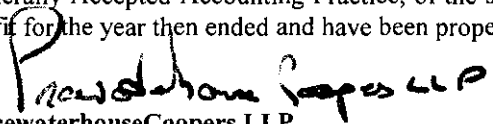
Basis of audit opinion

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 at 31 January 2006 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Milton Keynes

24th May, 2006

Profit and loss account for the year ended 31 January 2006

		Year ended 31 January 2006	13 month period ended 31 January 2005
	Note	£	£
Administrative expenses		(1,645)	(3,362)
Operating loss	7	(1,645)	(3,362)
Income from shares in group undertakings		800,986	1,500,000
Interest receivable and similar income	5	2	5,071
Interest payable and similar expenses	6	-	(4,763)
Profit on ordinary activities before taxation		799,343	1,496,946
Tax on profit on ordinary activities	8	-	-
Profit on ordinary activities after taxation		799,343	1,496,946
Dividends	9	(800,986)	(1,500,000)
Retained loss for the financial period		(1,643)	(3,054)
Amounts transferred to reserves			
At 1 February 2005 / 1 January 2004		24,083	27,137
Loss for the year/period		(1,643)	(3,054)
At 31 January 2006 / 31 January 2005		22,440	24,083

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

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

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

Balance sheet as at 31 January 2006

	Note	31 January 2006 £	31 January 2005 £
Fixed assets			
Investments	10	27,527	27,527
Current assets			
Debtors	11	1,700	2,996
Cash at bank and in hand		93	120
		1,793	3,116
Creditors - Amounts falling due			
Within one year	12	(1,880)	(1,560)
Net current (liabilities)/assets		(87)	1,556
Net assets		27,440	29,083
Capital and reserves			
Called-up share capital	13	5,000	5,000
Profit and loss account		22,440	24,083
Equity shareholders' funds	14	27,440	29,083

The financial statements on pages 5 to 10 were approved by the board of directors on 24th May, 2006 and were signed on its behalf by:



G. Neophitou
Director



R. Mier
Finance Director

Notes to the financial statements for the year ended 31 January 2006

1 Accounting policies

These financial statements have been prepared on the going concern basis under the historic cost convention and in accordance with the Companies Act 1985 and applicable accounting standards. The principal accounting policies are set out below.

Group financial statements

The financial statements contain information about Celab Power Management Limited as an individual company. The company is exempt under Section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it is included in the consolidated financial statements of C&D Holdings Limited, a company registered in England and Wales.

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.

Pension scheme

The subsidiary company, C&D Technologies (Celab) Limited operates a defined contribution stakeholder pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

2 Cash flow statement and related party disclosures

The company is a wholly-owned subsidiary of C&D Technologies Inc and is included in the consolidated financial statements of that company which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (revised 1996).

The company has also taken advantage of the exemption under the terms of FRS8 from disclosing related party transactions with entities that are part of the C&D Technologies Inc group.

3 Directors' emoluments

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

	Year ended 31 January 2006	13 month period ended 31 January 2005
	£	£
Aggregate emoluments	76,068	98,679
Company pension contributions to defined contribution scheme	10,205	15,580

Retirement benefits are accruing to 2 directors (2005: 2) under the company's defined contribution scheme. The directors received no remuneration for their services to Celab Power Management Limited.

4 Employee information

There were no employees of the company during the year other than the directors.

5 Interest receivable and similar income

	Year ended 31 January 2006	13 month period ended 31 January 2005
	£	£
Bank interest	2	5,071

6 Interest payable and similar expenses

	Year ended 31 January 2006	13 month period ended 31 January 2005
	£	£
Payable to group company	-	4,763

7 Operating loss

	Year ended 31 January 2006	13 month period ended 31 January 2005
	£	£
Operating loss is stated after charging:		
Auditors' remuneration for audit	1,320	1,300

8 Tax on profit on ordinary activities

	Year ended 31 January 2006	13 month period ended 31 January 2005
	£	£
Taxation on the profit for the period		
UK corporation tax based on the results for the period at 30%	-	-
	-	-

The tax assessed for the year ended 31st January 2006 is lower (13 month period ended 31st January 2005: lower) than the standard rate of corporation tax in the UK 30% (13 month period ended 31 January 2005: 30%). The differences are explained below:

	Year ended 31 January 2006	13 month period ended 31 January 2005
	£	£
Profit / (loss) on ordinary activities before tax	799,343	1,496,946
Profit / (loss) on ordinary activities multiplied by the effective rate of corporation tax of 30 % (2003: 30%)	239,803	449,084
Effects of:		
Expenses not deductible for tax purposes	(240,296)	(450,000)
Group relief surrendered	493	916
Current tax charge for the period	-	-

9 Dividends

	Year ended 31 January 2006	13 month period ended 31 January 2005
	£	£
Dividends on equity shares:		
Ordinary - Interim paid – £160.197 per ordinary £1 share (13 month period ended 31 January 2005: £1,500,000)	800,986	1,500,000

10 Fixed asset investments

	Investment in subsidiary undertaking
	£
Cost	
At 1 February 2005	27,527
At 31 January 2006	27,527

The fixed asset investment comprises:

Name	Country of registration	Description of shares held	Share capital & reserves	Retained (loss)/profit for period
		Class %	£	£
C&D Technologies (Celab) Limited	England and Wales	Ordinary £1 each 100	2,475,545	313,671
			(2005:2,161,874)	(2005:(373,490))

C&D Technologies (Celab) Limited designs, manufactures and markets electronic power supply equipment.

11 Debtors

	31 January 2006	31 January 2005
	£	£
Amounts falling due within one year		
Amounts owed by subsidiary undertaking	1,700	2,996

12 Creditors - Amounts falling due within one year

	31 January 2006	31 January 2005
	£	£
Accruals and deferred income	1,880	1,560

13 Called-up share capital

	31 January 2006	31 January 2005
	£	£
Authorised, allotted, called up and fully paid		
5,000 ordinary shares of £1 each	5,000	5,000

14 Reconciliation of movements in shareholders' funds

	Year ended 31 January 2006	13 month period ended 31 January 2005
	£	£
Profit for the financial period	799,343	1,496,946
Dividends paid	(800,986)	(1,500,000)
Net reduction to shareholders' funds	(1,643)	(3,054)
Opening shareholders' funds	29,083	32,137
Closing shareholders' funds	27,440	29,083

15 Pensions

The pension cost charge for the subsidiary company, C&D Technologies (Celab) Limited represents contributions payable by the company to the fund and amounted in the year ended 31st January 2006 to £87,653 (13 month period ended 31st January 2005: £93,404). Outstanding contributions at 31st January 2006 amounted to £nil (31st January 2005: £nil).

16 Ultimate and immediate parent companies

The immediate parent undertaking is NCL Holdings Limited. The smallest group for which consolidated accounts are prepared and in which Celab Power Management Limited is included is C&D Holdings Limited, a company registered in England and Wales. Copies of C&D Holdings Limited consolidated accounts are available from 1 Tanners Drive, Blakelands North, Milton Keynes, Bucks, MK14 5BU.

The directors consider that the ultimate parent undertaking and controlling party is C&D Technologies Inc., a company incorporated in the United States of America. Copies of C&D Technologies Inc. consolidated accounts are available from its registered office at 1400 Union Meeting Road, PO Box 3053, Bluebell, Pennsylvania 19422-0858.