

# **SEEBOARD International Limited**

## **Report and Accounts 31 December 1999**

**Registered number 2693107**

Registered Office:  
Forest Gate  
Brighton Road  
Crawley  
West Sussex  
RH11 9BH



# **SEEBOARD International Limited**

## **Directors' Report**

The directors present their report and the audited financial statements for the year ended 31 December 1999.

### **Ultimate Holding Company**

As set out in note 10 on page 10, the ultimate UK holding company is CSW UK Holdings. On 5 January 1999 CSW UK Holdings acquired a 90% interest in CSW UK Finance Company in exchange for the issue of shares to CSW International Two, Inc. and as a result became the ultimate UK holding company.

### **Principal Activity**

The principal activity of the Company is to provide a range of power consultancy services, primarily to overseas customers.

### **Results and Dividends**

The profit for the financial year was £41,809 (1998 £180,699). The directors do not recommend the payment of a dividend (1998 £nil).

### **Share Capital**

Details of the authorised and issued share capital of the Company are set out in note 8 to the accounts on page 10.

### **Directors**

The directors who held office during the year were as follows:

J S Croxford  
E Kolodziej Jnr  
M A Nagle  
J Weight (appointed 1 October 1999)  
A J K Goodwin (resigned 30 September 1999)

The directors and their families have no beneficial interests in either the share capital of the Company or any company within the CSW Group of UK companies. The directors are not aware of any contract of significance, other than service contracts with SEEBOARD plc and CSW, in relation to the Company, in which any director has or has had a material interest.

### **Year 2000 Compliance**

The Company has undertaken a comprehensive review of all items that may have been affected by the millennium date change. As a result of testing the company has not experienced any significant problems leading up to or immediately following 1 January 2000.

# SEEBOARD International Limited

## Directors' Report (continued)

### Directors' Responsibilities

Company law requires the directors to prepare financial statements for each accounting reference period which 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 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 which enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

### Auditor

KPMG Audit Plc is willing to continue as auditor and a resolution proposing the firm's re-appointment will be made at the General Meeting before which the accounts are laid.

By Order of the Board



M A Nagle  
Company Secretary

30 March 2000

# SEEBOARD International Limited

## AUDITOR'S REPORT TO THE MEMBERS OF SEEBOARD INTERNATIONAL LIMITED

We have audited the financial statements on pages 4 to 10.

### Respective responsibilities of directors and auditor

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by 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 with the company is not disclosed.

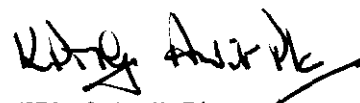
### Basis of audit opinion

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.

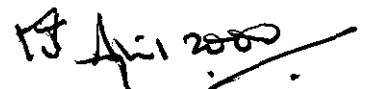
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 affairs of the Company as at 31 December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG Audit Plc  
Chartered Accountants  
Registered Auditor



18 April 2000  
London

# SEEBOARD International Limited

## Profit and Loss Account for the year ended 31 December 1999

		1999	1998
		£	£
	<i>Note</i>		
Turnover		-	239,864
Cost of sales		19,466	22,994
<b>Gross profit</b>		<b>19,466</b>	<b>262,858</b>
Administrative expenses		(5,437)	(36,617)
<b>Operating profit</b>	<i>1</i>	<b>14,029</b>	<b>226,241</b>
Net interest	<i>4</i>	37,470	29,138
<b>Profit on ordinary activities before taxation</b>		<b>51,499</b>	<b>255,379</b>
Tax on profit on ordinary activities	<i>5</i>	(9,690)	(74,680)
<b>Profit for the financial year</b>	<i>9</i>	<b>41,809</b>	<b>180,699</b>

### Recognised gains or losses

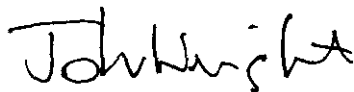
There are no recognised gains or losses other than the profit for the financial year (1998 £nil).

# SEEBOARD International Limited

## Balance Sheet as at 31 December 1999

	Note	1999	1998
		£	£
<b>Current assets</b>			
Debtors	6	26,116	60,586
Cash at bank and in hand		734,794	660,153
		<u>760,910</u>	<u>720,739</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	7	110,459	112,097
<b>Net current assets</b>		<u>650,451</u>	<u>608,642</u>
<b>Net assets</b>		<u>650,451</u>	<u>608,642</u>
<b>Capital and reserves</b>			
Called up share capital	8	500,025	500,025
Profit and loss account	9	150,426	108,617
<b>Shareholder's funds</b>	9	<u>650,451</u>	<u>608,642</u>

The accounts on pages 4 to 10 were approved by the Board of Directors on 30 March 2000 and were signed on its behalf by:



J Weight  
Director



J S Croxford  
Director

# SEEBOARD International Limited

## Notes to the Accounts

### 1. Operating profit

	1999 £	1998 £
<b>Cost of sales includes:</b>		
Release of provisions for completed contracts	-	103,651
<b>Operating profit is stated after charging:</b>		
Remuneration of auditors for audit work	2,550	2,500

### 2. Staff numbers and costs

The average number of employees of the Company, including directors, during the year was one (1998 one). The aggregate remuneration of all employees, including the directors, comprised:

	1999 £	1998 £
Wages and salaries	60,891	59,127
Social security costs	9,287	8,304
Other pension costs	4,936	4,732
	<hr/> 75,114	<hr/> 72,163
Amounts recharged to related parties	(75,114)	(72,163)
	<hr/>	<hr/>
Charged to profit and loss account	-	-
	<hr/>	<hr/>

# SEEBOARD International Limited

## Notes to the Accounts (continued)

### 3. Remuneration of directors

		Salaries	Benefits	Pension	Total
J S Croxford	1999	70,178	8,394	4,936	83,508
	1998	67,431	7,550	4,732	79,713

No other directors received any emoluments during the year in respect of their services for the company. Emoluments paid to J S Croxford were recharged to CSWI Europe Limited, a related company.

### 4. Net interest

	1999	1998
	£	£
Exchange losses	-	(229)
Interest receivable	37,470	39,650
Interest payable on loans repayable within five years	-	(10,283)
	<u>37,470</u>	<u>29,138</u>

### 5. Tax on profit on ordinary activities

	1999	1998
	£	£
UK corporation tax at 20.25% (1998 21 %)	-	1,146
Group relief	9,690	77,476
Adjustment to tax in respect of prior year's profit	-	(3,942)
	<u>9,690</u>	<u>74,680</u>



# SEEBOARD International Limited

## Notes to the Accounts (continued)

### 6. Debtors

	1999	1998
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	-	26,136
Amounts owed by group undertaking	25,720	27,836
Other debtors	396	6,614
	<u>26,116</u>	<u>60,586</u>

### 7. Creditors

	1999	1998
	£	£
<b>Amounts falling due within one year:</b>		
Other creditors	7,255	20,312
Amounts due to parent undertaking	93,514	90,639
Corporation tax	9,690	1,146
	<u>110,459</u>	<u>112,097</u>

# SEEBOARD International Limited

## Notes to the Accounts (continued)

### 8. Called up share capital

	1999		1998	
	Number	£	Number	£
<b>Authorised</b>				
Ordinary Shares of £1 each	1,000,000	1,000,000	1,000,000	1,000,000
Preference Shares of £0.0001	250,000	25	250,000	25
	<u>1,250,000</u>	<u>1,000,025</u>	<u>1,250,000</u>	<u>1,000,025</u>
<b>Allotted, called up and fully paid</b>				
Ordinary shares of £1 each	500,000	500,000	500,000	500,000
Preference Shares of £0.0001	250,000	25	250,000	25
	<u>750,000</u>	<u>500,025</u>	<u>750,000</u>	<u>500,025</u>

### 9. Reconciliation of movements in shareholder's funds

	Share Capital £	Profit and loss Account £	Shareholder's Funds £
At 1 January 1999	500,025	108,617	608,642
Retained profit for the financial year	-	41,809	41,809
<b>At 31 December 1999</b>	<u>500,025</u>	<u>150,426</u>	<u>650,451</u>

### 10. Ultimate holding company and ultimate controlling company

The ultimate UK holding company at 31 December 1999 was CSW UK Holdings registered in England and Wales. On 5 January 1999 CSW UK Holdings acquired a 90% interest in CSW UK Finance Company in exchange for an issue of shares to CSW International Two, Inc. and as a result became the ultimate UK holding company. The ultimate holding company and ultimate controlling company is Central and South West Corporation, registered in Delaware, USA. Financial statements may be obtained from Central and South West Corporation, 1616 Woodall Rodgers Freeway, Dallas, Texas, 75266-0164 or from the Company Secretary at the Registered Office or by telephoning (01293) 657295.