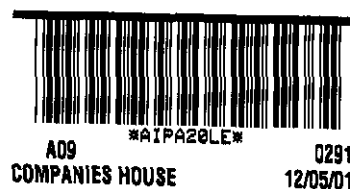


SEEBOARD INTERNATIONAL LIMITED

REPORT AND ACCOUNTS
31 DECEMBER 2000

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 2000.

Principal and Future Activities

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

The Company is no longer seeking new consultancy contracts and existing contracts are expected to be completed during 2001.

Results and Dividends

The Company made a profit on ordinary activities before taxation for the year of £40,934 (1999 £51,499). The directors do not propose the payment of a dividend (1999 £nil).

Ultimate Holding Company

CSW UK Holdings is the ultimate UK holding company. The ultimate holding company is American Electric Power Inc ("AEP").

On 22 December 1997, it was announced that AEP had made an agreed share for share offer to acquire the whole of the share capital in Central and South West Corporation subject to, inter alia, regulatory and shareholder approval. This acquisition was completed on 15 June 2000.

Share Capital

Details of the authorised and issued share capital of the Company are set out in note 8 to the accounts on page 9.

Directors

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

J Weight (Chairman)
E Kolodziej Jnr
M A Nagle
J S Croxford (resigned 1 December 2000)

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

SEEBBOARD 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 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.

Auditors

Deloitte & Touche were appointed as auditors during the year and a resolution proposing the firm's re-appointment will be made at the General Meeting before which the accounts are presented.

By Order of the Board



M A Nagle
Company Secretary

25 April 2001

SEEBOARD INTERNATIONAL LIMITED

AUDITORS' REPORT TO THE MEMBERS OF SEEBOARD INTERNATIONAL LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2, the Company's directors are responsible for the preparation of financial statements, which are required to be prepared in accordance with applicable United Kingdom law and accounting standards. 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 audit 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 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 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche
Chartered Accountants
and Registered Auditors

Hill House
1 Little New Street
London EC4A 3TR

27 April 2001

SEEBOARD INTERNATIONAL LIMITED

Profit and Loss Account for the year ended 31 December 2000

	Note	2000 £	1999 £
Turnover		-	-
Cost of sales		-	19,466
Gross profit		<u>-</u>	<u>19,466</u>
Administrative expenses		(936)	(5,437)
Operating (loss)/profit	1	<u>(936)</u>	<u>14,029</u>
Net interest	4	41,870	37,470
Profit on ordinary activities before taxation		<u>40,934</u>	<u>51,499</u>
Tax on profit on ordinary activities	5	(9,154)	(9,690)
Profit for the financial year	9	<u>31,780</u>	<u>41,809</u>

Recognised gains or losses

There were no recognised gains or losses other than the profit for the financial year (1999 £nil).

The profit for the financial year was derived from continuing operations.

SEEBOARD INTERNATIONAL LIMITED

Balance Sheet as at 31 December 2000

	Note	2000 £	1999 £
Current assets			
Debtors	6	131,215	26,116
Cash at bank and in hand		<u>663,955</u>	<u>734,794</u>
		795,170	760,910
Current liabilities			
Creditors (amounts falling due within one year)	7	112,939	110,459
Net current assets		<u>682,231</u>	<u>650,451</u>
Net assets		<u>682,231</u>	<u>650,451</u>
Capital and reserves			
Called up share capital	8	500,025	500,025
Profit and loss account	9	182,206	150,426
Shareholder's funds		<u>682,231</u>	<u>650,451</u>

The financial statements on pages 4 to 9 were approved by the Board of Directors on 25 April 2001 and were signed on its behalf by:

J Weight

J Weight
Chairman

M Nagler
M Nagler
Director

SEEBOARD INTERNATIONAL LIMITED

Notes to the accounts

Accounting Policies

Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 1985 and applicable accounting standards.

Under Financial Reporting Standard 1 (revised), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly-owned subsidiary.

Under Financial Reporting Standard 8, the Company is exempt from the requirement to disclose related party transactions and balances on the grounds that it is a wholly-owned subsidiary.

Foreign exchange

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange current at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to sterling at the rate of exchange current at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Contracts

The amount of profit attributable to the stage of completion of a contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous periods. Provision is made for any losses which are foreseen.

Contract work in progress is stated at cost incurred, less amounts transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover.

Amounts recoverable on contracts are included in debtors and represents turnover recognised in excess of payments on account.

Deferred taxation

Deferred taxation arises in respect of items where there is a timing difference between their treatment for accounting purposes and their treatment for taxation purposes. A provision or asset for deferred taxation, using the liability method, is established to the extent that it is probable that a liability or asset will crystallise in the foreseeable future.

SEEBOARD INTERNATIONAL LIMITED

Notes to the accounts (continued)

1. Operating (loss)/profit

Auditors' remuneration relating to SEEBOARD International Limited of £1,000 (1999 £2,550) was met by SEEBOARD plc.

2. Staff numbers and costs

	2000	1999
Average number of employees in the Company during the year, including directors	<u>1</u>	<u>1</u>

The aggregate remuneration of all employees, including the directors, comprised:

	2000 £	1999 £
Wages and salaries	94,703	60,891
Social security costs	11,514	9,287
Pension costs	<u>4,782</u>	<u>4,936</u>
	110,999	75,114
Amounts recharged to related parties	<u>(110,999)</u>	<u>(75,114)</u>
Charged to profit and loss account	<u>-</u>	<u>-</u>

3. Remuneration of directors

	Year	Salaries £	Benefits £	Pension £	Total £
J S Croxford	2000	106,217	10,029	4,782	121,028
	1999	70,178	8,394	4,936	83,508

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.

During the year Mr Croxford received £75,384 compensation for loss of office, which was recharged to a related company.

SEEBOARD INTERNATIONAL LIMITED

Notes to the accounts (continued)

4. Net interest

	2000 £	1999 £
Interest receivable	42,010	37,470
Interest payable and similar charges	(140)	-
	<u>41,870</u>	<u>37,470</u>

5. Tax on profit on ordinary activities

	2000 £	1999 £
Group relief	<u>9,154</u>	<u>9,690</u>

The Company received group relief of £30,512 (1999 £32,033) from another group company for consideration of £9,154 (1999 £9,690).

6. Debtors

	2000 £	1999 £
Amounts falling due within one year:		
Amounts owed by group undertaking	131,196	25,720
Other debtors	19	396
	<u>131,215</u>	<u>26,116</u>

7. Creditors

	2000 £	1999 £
Amounts falling due within one year:		
Amounts due to parent undertaking	112,116	93,514
Corporation tax	-	9,690
Other creditors	823	7,255
	<u>112,939</u>	<u>110,459</u>

SEEBOARD INTERNATIONAL LIMITED

Notes to the accounts (continued)

8. Called up share capital

At 1 January and 31 December 2000

	Number	£
Authorised:		
Ordinary shares of £1 each	1,000,000	1,000,000
Preference shares of £0.0001	250,000	25
	<u>1,250,000</u>	<u>1,000,025</u>
Allotted and fully paid:		
Ordinary shares of £1 each	500,000	500,000
Preference shares of £0.0001	250,000	25
	<u>750,000</u>	<u>500,025</u>

The preference shares are non voting, have no right to receive a dividend and are redeemable at par.

9. Reconciliation of movements in shareholder's funds

	Share Capital	Profit and loss account	Shareholder's funds
	£	£	£
Balance at 1 January 2000	500,025	150,426	650,451
Retained profit for the year	-	31,780	31,780
Balance at 31 December 2000	<u>500,025</u>	<u>182,206</u>	<u>682,231</u>

10. Ultimate holding company and ultimate controlling company

The ultimate UK holding company at 31 December 2000 is CSW UK Holdings, registered in England and Wales. The ultimate holding company and ultimate controlling company is American Electric Power Inc. Financial statements may be obtained from Investor Services Division, American Electric Power, 1 Riverside Plaza, Columbus, Ohio 43215-2373.