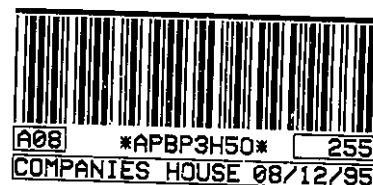


EA TECHNOLOGY (SERVICES) LIMITED
Company Number 2790966

ANNUAL REPORT AND ACCOUNTS 1994/95



Foreword and Explanatory Note

This Annual Report and Statement of Accounts for the year ended 31 March 1995 will be laid before members at the forthcoming Second Annual General Meeting, to be held on 11 August 1995, notice of which is given separately.

Contents

| | Page |
|--------------------------|------|
| 1. Company Details | 1 |
| 2. Directors Report | 3 |
| 3. Balance Sheet | 5 |
| 4. Notes to the Accounts | 6 |

COMPANY DETAILS

Classification: A private company limited by shares

Date of Incorporation: 17 February 1992

Directors: Dr S F Exell
Mr D R Morris

The current directors have no beneficial interest in the shares of the company.

Secretary: Mr D C Morrey

Registered number: 2790966

Registered Office: Capenhurst
Chester CH1 6ES

Bankers: National Westminster Bank plc
15 Bishopsgate
London EC2P 2AP

Auditors: Price Waterhouse
1 London Bridge
London SE1 9QL

Solicitors: Eversheds (formerly Jaques & Lewis)
Senator House
85 Queen Victoria Street
London EC4V 4JL

Share Capital and Transactions

The company has an authorised share capital of £1,000 divided into 1,000 Ordinary Shares of £1.00 each, of which only two shares have been issued. The current shareholder is Electricity Association Limited. There were no transactions in the company's shares during the year.

DIRECTORS' REPORT

Principal Activities

The function of the company is to contract out research and development staff. All employees of the company are currently contracted to EA Technology Limited.

The company has entered into no transactions since its formation other than contracting out its employees. It has not traded or made either profit or loss during the year to 31 March 1995.

Directors' Responsibility

Company law requires the directors to prepare financial statements for each financial year 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;
- prepare the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

Directors and Officers Insurance

The company maintained insurance for its directors and officers against liabilities in relation to the Company.

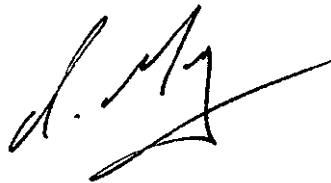
Future Activities

The company will continue to exercise its function in 1995/96.

Auditors

Resolutions to reappoint Price Waterhouse as auditors until the next succeeding Annual General Meeting and to authorise the Directors to fix their remuneration will be proposed to the forthcoming Annual General Meeting.

By order of the Board.

A handwritten signature in black ink, appearing to be 'D. Morrey', with a long horizontal stroke extending to the right.

D C Morrey
Secretary

Date: 14 July 1995

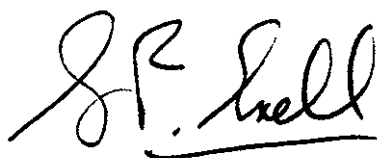
BALANCE SHEET AT 31 MARCH 1995

| | Notes | 1995 £ | 1994 £ |
|--------------------------------------|-------|-----------|-----------|
| Current Assets | | | |
| Due from EASL (group undertaking) | | 2 | 2 |
| | | <u>2</u> | <u>2</u> |
| Share Capital | | | |
| Share Capital | 2 | 2 | 2 |
| | | <u>2</u> | <u>2</u> |

The accounts were approved by the Board of Directors on

The company has been dormant since incorporation to 31 March 1995.

Signed on behalf of the Board of Directors:



Dr S F Exell

Date: 14 July 1995

NOTES TO THE ACCOUNTS

1. Accounting Policies

Basis of Preparation of the Accounts:

The accounts are prepared on a historical cost basis, in accordance with applicable accounting standards.

| 2. Share Capital | 31 March 1995 £ | 31 March 1994 £ |
|----------------------------|--------------------|--------------------|
| Ordinary shares of £1 each | | |
| Authorised | 1,000 | 1,000 |
| Issued and fully paid | 2 | 2 |

3. Profit and Loss

The company has entered into no transactions during the year and has made neither profit nor loss during the year.

4. Ultimate parent company

The company is a wholly-owned subsidiary undertaking of Electricity Association Limited, a company incorporated in England and Wales. Copies of this company's accounts can be obtained from 30 Millbank, London SW1P 4RD.