

POWER CENTRE HOLDINGS LIMITED

FINANCIAL STATEMENTS

8 months to 31 December 1994

(Registered in England, 2235556)



POWER CENTRE HOLDINGS LIMITED

DIRECTORS' REPORT

for the eight months ended 31 December 1994

The directors present their report and the audited financial statements for the eight months ended 31 December 1994.

Principal activities

The consolidated profit and loss account for the period is set out on page 4.

The principal activities of the company and its subsidiaries are the manufacture and sale of electrical installation equipment and industrial plugs and sockets.

Review of business and future developments

Both the level of business and the period end financial position were satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

The directors believe that the net liability situation of the group is of a temporary nature and will be reversed in the following year.

The company was acquired by Legrand UK Limited on 31 December 1994.

Changes in presentation of the financial statements

Following the introduction of Financial Reporting Standard No 4, 'Capital Instruments' and Financial Reporting Standard No 5 'Reporting the Substance of Transactions', the presentation of the financial statements has been amended to conform with the new requirements. Shareholders' funds have been analysed between equity interests and non-equity interests.

Dividends and transfers to reserves

The directors do not recommend the payment of a dividend. The consolidated loss for the period of £454,000 will be transferred to reserves.

Directors

The directors of the company during the period were:

G C Bartlett	Resigned	31 December 1994
H R Shields	Resigned	31 December 1994
S R Willmore	Resigned	31 December 1994
D B Sankey	Resigned	31 December 1994
O W Pinfold	Resigned	31 December 1994
H J Delve	Resigned	31 December 1994
B Verspieren	Appointed	31 December 1994
E Decoster	Appointed	31 December 1994

POWER CENTRE HOLDINGS LIMITED

Directors' interests

The interests of the directors of the company in the shares of the company at 31 December 1994, together with their interests at 30 April 1994 were:

	Deferred ordinary shares of 10p each		Ordinary shares of 10p each	
	31 Dec 1994	30 April 1994	31 Dec 1994	30 April 1994
G C Bartlett	-	2,317	-	4,433
H J Delve	-	2,163	-	4,137
O W Pinfold	-	1,081	-	2,069
H R Shields	-	1,082	-	2,068
S R Willmore	-	1,081	-	2,069

Other than shown in the table above no director had any interest in the shares or debentures of the company at 31 December 1994.

Changes in fixed assets

The movements in fixed assets during the period are set out in note 9 to the financial statements.

Market value of Land and Buildings

Land and buildings are included in the balance sheet at valuation. A formal valuation on an "open market value for existing use" basis was carried out on 31 December 1994 by LSM Partners, chartered surveyors, property consultants and valuers, which resulted in a revaluation of land and buildings to £970,000 (30 April 1994 : £1,550,000).

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the eight months ended 31 December 1994. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

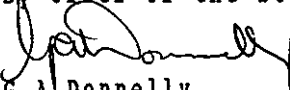
The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

During the period KPMG resigned as auditors and the directors appointed Coopers & Lybrand.

A resolution to reappoint the auditors, Coopers & Lybrand, will be proposed at the annual general meeting.

By order of the board


G A Donnelly
Company Secretary

POWER CENTRE HOLDINGS LIMITED

Report of the auditors to the members of
Power Centre Holdings Limited

We have audited the financial statements on pages 4 to 24.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. 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 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 and the group at 31 December 1994 and of its loss and cash flows for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers + Lybrand.

Coopers & Lybrand
Chartered Accountants and Registered Auditors
Milton Keynes

4 September 1995

POWER CENTRE HOLDINGS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for 8 months to 31 December 1994

	Note	8 months to 31 December 1994 £'000	12 months to 30 April 1994 £'000
Turnover- continuing operations	2	4,624	7,702
Cost of sales - continuing operations		(3,280)	(5,186)
Gross profit		<u>1,344</u>	<u>2,516</u>
Distribution costs		(314)	(479)
Administrative expenses		(1,321)	(1,719)
Operating (loss)/profit-continuing activities		<u>(291)</u>	<u>318</u>
Interest payable and similar charges	4	(163)	(256)
(Loss)/profit on ordinary activities before taxation	5	(454)	62
Taxation on (loss)/profit on ordinary activities	7	-	-
(Loss)/Profit on ordinary activities after taxation	8	<u>(454)</u>	<u>62</u>
Dividends		-	-
Retained (loss)/profit for the financial period	20	<u>(454)</u> =====	<u>62</u> =====

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

Statement of Total Recognised Gains and Losses		8 months to 31 December 1994 £'000	12 months to 30 April 1994 £'000
(Loss)/profit for the financial period		(454)	62
Unrealised deficit on revaluation of properties	19	(485)	-
Total recognised gains and losses recognised since last annual report		<u>(939)</u> =====	<u>62</u> =====

POWER CENTRE HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEET

at 31 December 1994

	Note	31 December 1994 f'000	30 April 1994 f'000
Fixed Assets			
Tangible assets	9	1,533	2,137
Current Assets			
Stocks	11	756	846
Debtors	12	1,188	1,582
Cash in hand		1	1
		<u>1,945</u>	<u>2,429</u>
Creditors: Amounts falling due within one year	13	(2,401)	(1,830)
Net current (liabilities)/assets		<u>(456)</u>	<u>599</u>
Total assets less current liabilities		<u>1,077</u>	<u>2,736</u>
Creditors: Amounts falling due after more than one year	14	(1,100)	(1,820)
Provisions for liabilities and charges	17	-	-
Net (liabilities)/assets		<u>(23)</u>	<u>916</u>
Capital and reserves			
Called up share capital	18	1,456	1,456
Share premium account	19	1	1
Profit and loss account	19	(924)	(418)
Other reserves - goodwill write off reserve	19	(556)	(608)
Revaluation Reserve	19	-	485
Equity shareholders' funds		<u>(23)</u>	<u>(535)</u>
Non equity shareholders funds	21	-	1,451
Total shareholders' funds	20	<u>(23)</u>	<u>916</u>

These financial statements on pages 4 to 24 were approved by the Board of Directors on 4 September 1995 and were duly signed by:

B Verspieren
Director

E Decoster
Director

POWER CENTRE HOLDINGS LIMITED

BALANCE SHEET

at 31 December 1994

	Note	31 December 1994 £'000	30 April 1994 £'000
Fixed assets			
Tangible assets	9	1,480	2,055
Investments	10	482	481
Current assets			
Stocks	11	614	724
Debtors	12	1,020	1,174
Cash in hand		1	1
		<u>1,635</u>	<u>1,899</u>
Creditors: Amounts falling due within one year	13	(2,253)	(1,542)
Net current (liabilities)/ assets		<u>(618)</u>	<u>357</u>
Total assets less current liabilities		1,344	2,893
Creditors: Amounts falling due after more than one year	14	(1,100)	(1,814)
Provisions for liabilities and charges	17	-	-
Net assets		<u>244</u> =====	<u>1,079</u> =====
Capital and reserves			
Called up share capital	18	1,456	1,456
Share premium account	19	1	1
Profit and loss account	19	(1,017)	(628)
Other reserves - goodwill write off reserve	19	(196)	(235)
Revaluation Reserve	19	-	485
Equity shareholders' funds		<u>244</u>	<u>(372)</u>
Non-equity shareholders' funds	21	-	1,451
Total shareholders' funds	20	<u>244</u> =====	<u>1,079</u> =====

These financial statements on pages 4 to 24 were approved by the Board of Directors on 4 September 1995 and were signed on its behalf by:

B Verspieren
Director

E Decoster
Director

POWER CENTRE HOLDINGS LIMITED
CONSOLIDATED CASH FLOW STATEMENT
for 8 months to 31 December 1994

	Note	8 months to 31 December 1994 £000	12 months to 30 April 1994 £000
Net cash inflow from operating activities	24	149	464
Servicing of finance			
Interest paid		(85)	(292)
Net cash (outflow) from servicing of finance		(85)	(292)
Investing activities			
Purchase of tangible fixed assets		(7)	(40)
Sale of tangible fixed assets		-	4
Provisions utilised		-	(10)
Net cash (outflow) from investing activities		(7)	(46)
Net cash inflow/(outflow) before financing		57	126
Financing			
Debenture repaid		(1,000)	-
Additional loan from Parent Co.		1,000	-
Bank loan repaid		(63)	(84)
ECSC repaid		(50)	-
Finance lease repaid		(11)	(21)
Net cash outflow from financing	25	(124)	(105)
(Decrease)/Increase in cash and cash equivalents	26	(67)	21

POWER CENTRE HOLDINGS LIMITED

Notes to the financial statements
for the period ended 31 December 1994

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 under the historical cost convention as modified by the revaluation of certain tangible fixed assets.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the company and all of its subsidiaries drawn up to 31 December 1994.

A separate profit and loss account dealing with the results of the company only has not been presented as is permitted by Section 230 Companies Act 1985.

Goodwill

Any excess of the purchase consideration over the fair value of the net tangible assets of an acquired business is written off to reserves in the year of acquisition. The net assets of companies acquired are incorporated into the consolidated financial statements at the fair value to the group.

Turnover

Turnover represents supplies of goods net of discounts and rebates and is exclusive of value added tax.

Foreign currencies

Assets and liabilities denominated in foreign currency have been translated into sterling at the rate of exchange ruling on 31 December 1994. Differences arising on trading transactions in the year are reflected in profit before taxation.

Depreciation

Depreciation is provided on all fixed assets (except land) in use at the year end at equal annual rates calculated to write off the value of the relevant assets over their anticipated useful lives. In general the annual rates used are:

Leased assets	-	Over the length of the lease on a straight line basis
Freehold buildings	-	2%
Plant	-	7.5% - 65%
Vehicles	-	25%
Office equipment	-	25%
Tools	-	25%

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

1. Accounting policies (continued)

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Where necessary, provision is made for obsolete, slow moving and defective stocks. Stocks on consignment and their related obligations are recognised in current assets and creditors respectively on adoption of the consignment stock when the risks and rewards of ownership pass to the company.

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise. Full provision is made for deferred taxation on timing differences arising from the provision of employee pensions.

Pension scheme arrangements

The company operates a defined benefit pension scheme. The fund is valued every three years by a professionally qualified independent actuary, the rates of contribution payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period during which the company benefits from the employees' services. The effects of variations from regular cost are spread over the expected average remaining service lives of members in the scheme.

The company provides no other post retirement benefits to its employees.

Research and development

Research and development costs are charged to the profit and loss account as and when incurred in accordance with group accounting policy.

Leased assets

Fixed assets acquired under finance leasing contracts are recorded in the balance sheet as tangible fixed assets and are depreciated over the useful life of the asset. The corresponding capital element of future rentals is included in creditors. The finance charge is charged to the profit and loss account over the primary lease period. Operating lease charges are written off as incurred.

Grants

Grants receivable on capital expenditure are deducted from the cost of the relevant assets.

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

2. Turnover

An analysis of turnover by geographical market is as follows:

	8 months to 31 December 1994 £'000	12 months to 30 April 1994 £'000
United Kingdom	3,901	6,665
Middle East	319	683
Far East	88	118
Europe	58	109
Other	258	127
	<hr/>	<hr/>
	4,624	7,702
	=====	=====

The whole of the group's turnover and profit before taxation arises from the principal activity being the manufacture and sale of electrical installation equipment and industrial plugs and sockets.

3. Staff numbers and costs

The average number of persons employed by the group (including directors) during the period was as follows:

	8 months to 31 December 1994 Number	12 months to 30 April 1994 Number
Office and management	56	46
Manufacturing	104	127
	<hr/>	<hr/>
	160	173
	=====	=====

The aggregate payroll costs of these persons were as follows:

	8 months to 31 December 1994 £'000	12 months to 30 April 1994 £'000
Wages and salaries	1,458	2,217
Social security costs	126	191
Other pension costs	32	52
	<hr/>	<hr/>
	1,616	2,460
	=====	=====

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

4. Interest payable and similar charges	8 months to 31 December 1994 £'000	12 months to 30 April 1994 £'000
Bank loans and overdrafts	74	122
Other loans not wholly repayable within five years	87	130
Other Interest	1	-
Hire purchase and finance lease interest	1	4
	<u>163</u> =====	<u>256</u> =====

5. Profit/(Loss) on ordinary activities before taxation	8 months to 31 December 1994 £000	12 months to 30 April 1994 £000
Profit/(Loss) on ordinary activities before taxation is stated after charging :		
Auditors' remuneration including expenses	30	24
Depreciation of tangible fixed assets	101	161
Directors' emoluments (see note 7)	259	275
Other operating leases	166	307
Redundancy costs	124	151
Loss on revaluation of land and buildings	25	-
Reorganisation costs	159	-
	<u>163</u> =====	<u>256</u> =====

Auditors' remuneration for non-audit services during the year
amounted to £Nil (30 April 1994: £6,000)

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

6.	Directors' emoluments	8 months to 31 December 1994 £'000	12 month to 30 April 1994 £'000
	Directors' emoluments:		
	Fees	7	10
	Other emoluments (including pension contributions)	183	265
	Compensation for Loss of Office	69	-
		<u>259</u>	<u>275</u>
		=====	=====
	Particulars of emoluments excluding pension contributions:		
	Chairman and highest paid director	49	72
		=====	=====
	All directors:	Number	Number
		8 months to 31 December 1994	12 months to 30 April 1994
	£0 - £ 5,000	3	2
	£25,001 - £30,000	3	-
	£35,001 - £40,000	1	3
	£45,001 - £50,000	1	-
	£50,001 - £55,000	-	1
	£70,001 - £75,000	-	1
		=====	=====
7.	Tax on (loss)/profit on ordinary activities	8 months to 31 December 1994 £'000	12 months to 30 April 1994 £'000
	Based on (loss)/profit for the period:		
	Corporation tax at 25% (1993 : 25%)	-	-
	Deferred taxation	-	-
	Irrecoverable ACT written off	-	-
		<u>-</u>	<u>-</u>
	Prior year adjustment	-	-
	Deferred taxation	-	-
		<u>-</u>	<u>-</u>
		=====	=====

The group has unutilised tax losses of approximately £1,260,000 available for carry forward subject to agreement with the Inland Revenue.

8. (Loss)/profit on ordinary activities after taxation

As permitted by Section 230 of the Companies Act 1985, the Company has not presented its own profit and loss account.

The consolidated (loss)/profit of (£454,000) (30 April 1994:£62,000) includes a loss of £350,000 (30 April 1994:£232,000) relating to the trading activities of the parent company.

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

9. Tangible fixed assets

(a) Group

	Freehold land and buildings f'000	Short leasehold land and buildings f'000	Plant and machinery f'000	Motor vehicles, fixtures, fittings, tools and equipment f'000	Total f'000
Cost or Valuation					
At beginning of period	1,550	7	1,119	468	3,144
Additions	-	-	4	3	7
Disposals	-	-	(4)	-	(4)
Transfers	-	-	(55)	55	-
Revaluation of land and buildings	(580)	-	-	-	(580)
At end of period	<u>970</u>	<u>7</u>	<u>1,064</u>	<u>526</u>	<u>2,567</u>
	=====	=====	=====	=====	=====
Depreciation					
At beginning of period	(57)	(4)	(529)	(417)	(1,007)
Charged in the period	(13)	(1)	(71)	(16)	(101)
Disposal	-	-	4	-	4
Transfers	-	-	42	(42)	-
Write back on revaluation	70	-	-	-	70
At end of period	<u>-</u>	<u>(5)</u>	<u>(554)</u>	<u>(475)</u>	<u>(1,034)</u>
	=====	=====	=====	=====	=====
Net book value					
At 31 December 1994	970	2	510	51	1,533
	=====	=====	=====	=====	=====
At 30 April 1994	1,493	3	590	51	2,137
	=====	=====	=====	=====	=====

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

9. Tangible fixed assets (continued)

Tangible fixed assets acquired under finance leases and included above are as follows:

	Plant and machinery £'000	Motor vehicles £'000
Net book value		
At 31 December 1994	7	1
At 30 April 1994	<u>12</u>	<u>1</u>
Depreciation charged in the period 8 months to 31 December 1994	5	-
Year ended 30 April 1994	<u>13</u> =====	<u>-</u> =====

(b) Company

	Freehold land and buildings £'000	Plant and machinery £'000	Motor vehicles, fixtures, fittings, tools and equipment £'000	Total £'000
Cost or valuation				
At beginning of period	1,550	856	401	2,807
Additions	-	4	3	7
Revaluations of land and buildings	(580)	-	-	(580)
At end of period	<u>970</u> =====	<u>860</u> =====	<u>404</u> =====	<u>2,234</u> =====
Depreciation				
At beginning of period	(57)	(323)	(372)	(752)
Charged in the period	(13)	(51)	(8)	(72)
Write-back on Revaluations	70	-	-	70
At end of period	<u>-</u> =====	<u>(374)</u> =====	<u>(380)</u> =====	<u>(754)</u> =====
Net book value	970	486	24	1,480
At 31 December 1994	<u>970</u> =====	<u>486</u> =====	<u>24</u> =====	<u>1,480</u> =====
At 30 April 1994	<u>1,493</u> =====	<u>533</u> =====	<u>29</u> =====	<u>2,055</u> =====

(c) Group and Company

The net book value is revalued freehold land and buildings under the historical cost convention at 31 December 1994 is £987,000 (30 April 1994: £1,006,000). A revaluation was undertaken during the period ended 31 December 1994. The value of land included in freehold land and buildings which is not depreciated is £470,000 (30 April 1994 : £600,000).

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

10. Investments	Company	
	31 December 1994 £'000	30 April 1994 £'000
Shares in subsidiary companies at cost		
At beginning of period	481	481
Further investment	1	-
At end of period	<u>482</u>	<u>481</u>

The Company's wholly owned principal subsidiary undertaking at 31 December 1994, which is incorporated and operates in England, is Rolfe King Limited. The principal activity of this company is the manufacture and sale of electrical installation equipment.

11. Stocks	Group		Company	
	31 Dec. 1994 £'000	30 Apr 1994 £'000	31 Dec. 1994 £'000	30 Apr. 1994 £'000
Raw materials and consumables	276	244	164	143
Work in progress	250	305	220	284
Finished goods and goods for resale	230	297	230	297
	<u>756</u>	<u>846</u>	<u>614</u>	<u>724</u>
	=====	=====	=====	=====

12. Debtors	Group		Company	
	31 Dec. 1994 £'000	30 Apr. 1994 £'000	31 Dec. 1994 £'000	30 Apr. 1994 £'000
Trade debtors	1,071	1,410	933	1,020
Amounts owed by subsidiary undertakings	-	-	-	-
Prepayments and accrued income	117	172	87	154
	<u>1,188</u>	<u>1,582</u>	<u>1,020</u>	<u>1,174</u>
	=====	=====	=====	=====

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

13. Creditors: Amounts falling due within one year

	Group		Company	
	31 Dec 1994 £'000	30 Apr 1994 £'000	31 Dec 1994 £'000	30 Apr 1994 £'000
Bank loans and overdrafts	1,278	610	1,243	617
Trade creditors	792	864	660	657
Amounts owed to subsidiary undertakings	-	-	166	5
Other taxes and social security	97	179	82	136
Other creditors	26	52	25	44
Net obligations under finance leases	10	15	-	-
Accruals and deferred income	198	110	77	83
	<u>2,401</u>	<u>1,830</u>	<u>2,253</u>	<u>1,542</u>
	=====	=====	=====	=====

Details of borrowings are shown in note 16.

14. Creditors : Amounts falling due after more than one year

	Group		Company	
	31 Dec 1994 £'000	30 Apr 1994 £'000	31 Dec 1994 £'000	30 Apr 1994 £000
Amounts owing to Parent Undertaking	1,000	-	1,000	-
Debenture loans	-	1,000	-	1,000
Medium and long term loans	100	814	100	814
Net obligations under finance leases repayable between two and five years	-	6	-	-
	<u>1,100</u>	<u>1,820</u>	<u>1,100</u>	<u>1,814</u>
	=====	=====	=====	=====

Details of borrowings are shown in note 16.

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

15. Operating lease commitments

The lease payments falling due next year to which the company was committed as at 31 December 1994 were as follows:

	Group		Company	
	31 Dec 1994 £'000	30 Apr 1994 £'000	31 Dec 1994 £'000	30 Apr 1994 £'000
Leases in respect of land and buildings expiring:				
Over five years	62	62	-	-
	=====	=====	=====	=====
Leases in respect of plant and machinery, and motor vehicles expiring:				
Within one year	23	24	10	24
Between two and five years	183	194	169	160
Over five years	-	-	-	-
	<u>206</u>	<u>218</u>	<u>179</u>	<u>184</u>
	=====	=====	=====	=====

16. Borrowings

These comprise:

	Group		Company	
	31 Dec 1994 £'000	30 Apr 1994 £'000	31 Dec 1994 £'000	30 Apr 1994 £'000
Bank overdraft	543	476	508	483
Bank loans	835	948	835	948
	<u>1,378</u>	<u>1,424</u>	<u>1,343</u>	<u>1,431</u>
Other loans	-	1,000	-	1,000
	<u>1,378</u>	<u>2,424</u>	<u>1,343</u>	<u>2,431</u>
	=====	=====	=====	=====
Repayment of borrowings:				
Bank loans and overdrafts:				
In one year or less or on demand	1,278	610	1,243	617
Between two and five	100	486	100	486
In five years or more	-	328	-	328
	<u>1,378</u>	<u>1,424</u>	<u>1,343</u>	<u>1,431</u>
	=====	=====	=====	=====

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

16. Borrowings (continued)

	Group		Company	
	31 Dec 1994 £000	30 Apr 1994 £000	31 Dec 1994 £000	30 Apr 1994 £000
Other loans:				
Between two and five years	-	1,000	-	1,000
Total Borrowings	<u>1,378</u> =====	<u>2,424</u> =====	<u>1,343</u> =====	<u>2,431</u> =====

The borrowings are secured on the assets of the company.

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

17. Provision for liabilities and charges

	31 December 1994		30 April 1994	
	Full	Amount	Full	Amount
	potential	provided	potential	provided
	liability		liability	
	£'000	£'000	£'000	£'000
Deferred taxation at 33%:				
Group and Company				
Accelerated capital allowances and other timing differences	162	-	176	-
Advance corporation tax	-	-	(10)	-
Available losses	(162)	-	(166)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	=====	=====	=====	=====

In addition to the available losses utilised above, the Group has unutilised tax losses of approximately £770,000 available to carry forward subject to agreement with the Inland Revenue.

No provision has been made for any taxation which may arise in the event of any assets which are included in the financial statements at a figure in excess of their original cost being realised at that higher figure; these assets are held for the purpose of the company's business.

It is not considered that any notional liability will arise on the disposal of these assets due to indexation.

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

18. Called up share capital

	31 Dec 1994 £	30 Apr 1994 £
Authorised		
1,455,634 ordinary shares of £1 each	1,455,634	-
1,450,000 redeemable preference shares of £1 each	-	1,450,000
27,500 preferred ordinary shares of 10p each	-	2,750
14,776 'A' ordinary shares of 10p each	-	1,478
2,500 'B' ordinary shares of 10p each	-	250
384 'C' ordinary shares of £1 each	-	384
7,724 Deferred shares of 10p each	-	772
	<u>1,455,634</u> =====	<u>1,455,634</u> =====
	31 Dec 1994 £	30 Apr 1994 £
Allotted, Called up and fully paid:		
1,455,634 ordinary shares of £1 each	1,455,634	-
1,450,000 redeemable preference shares of £1 each	-	1,450,000
27,500 preferred ordinary shares of 10p each	-	2,750
14,776 'A' ordinary shares of 10p each	-	1,478
2,500 'B' ordinary shares of 10p each	-	250
384 'C' ordinary shares of £1 each	-	384
7,724 Deferred shares of 10p each	-	772
	<u>1,455,634</u> =====	<u>1,455,634</u> =====

The redeemable preference shares of £1 receive a fixed dividend of 10% per annum based upon the nominal value of the shares. They are only entitled to vote on a show of hands or on a poll if any part of the dividend payable on such shares is in arrears.

The preferred ordinary shares of 10p are entitled to 10% of pretax profits up to £500,000 and 6% of pretax profits in excess of £500,000. They are entitled to one vote for every share except in any resolution at any General Meeting of the company to appoint or remove from office any Special Director where it shall be ten votes for every share.

'A' 'B' and 'C' class ordinary shares carry normal dividend rights and are entitled to one vote per share.

The deferred shares of 10p each have no entitlement to dividends and carry no voting rights.

All classes of shares were converted to ordinary shares of £1 each on 31 December 1994.

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

19. Reserves

	Share premium £'000	Profit and loss account £'000	Goodwill write-off reserve £'000	Revaluation reserve £'000
Group				
Balance at beginning of period	1	(418)	(608)	485
Retained loss for the period	-	(454)	-	-
Reversal of revaluation reserve	-	-	-	(485)
Amortisation of goodwill	-	(52)	52	-
Balance at end of period	<u>1</u>	<u>(924)</u>	<u>(556)</u>	<u>-</u>
	=====	=====	=====	=====
Company				
Balance at beginning of period	1	(628)	(235)	485
Retained loss for the period	-	(350)	-	-
Reversal of revaluation reserve	-	-	-	(485)
Amortisation of goodwill	-	(39)	39	-
Balance at end of period	<u>1</u>	<u>(1,017)</u>	<u>(196)</u>	<u>-</u>
	=====	=====	=====	=====

20. Reconciliation of movement in shareholders funds

	Group		Company	
	31 Dec 1994 £000	30 Apr 1994 £000	31 Dec 1994 £000	30 Apr 1994 £000
Opening shareholders funds	916	854	1,079	1,311
(Loss)/profit for the period	(454)	62	(350)	(232)
Write back of revaluation reserve	(485)	-	(485)	-
Closing shareholders funds	<u>(23)</u>	<u>916</u>	<u>244</u>	<u>1,079</u>
	=====	=====	=====	=====

21. Analysis of non-equity shareholders funds

	31 December 1994 £'000	30 April 1994 £'000
1,450,000 redeemable preference shares of £1 each	-	1,450
7,724 deferred shares of 10p each	-	1
	<u>-</u>	<u>1,451</u>
	=====	=====

22. Contingent liabilities

The company has a contingent liability with Barclays Bank plc on the Small Export Scheme loans for cash advances on export sales of £34,000 (30 April 1994 : £27,000).

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

23. Pensions obligations

The company operates a defined benefit pension scheme. The assets of the scheme are held separately from those of the company.

The total pension cost during the period for the group was £31,534. The pension cost is assessed in accordance with the advice of an independent qualified actuary using the projected unit method. The latest actuarial valuation of the scheme was at 31 December 1994. The assumptions that have the most significant effect on the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment return would be 8.5% per annum, dividend increases would be 4% per annum, that salary increases would be average 6% per annum and that present and future pensions would increase at the rate of 2.5% per annum.

At the date of the latest actuarial valuation, the market value of the assets of the scheme was £3,283,000 and the actuarial value of the assets was sufficient to cover 100% of the benefits which had accrued to members, after allowing for expected future increases in earnings. The contributions of the company and employees will be 8.6% and 5% respectively.

24. Reconciliation of operating profit/(loss) to net cash outflow from operating activities

	8 months to 31 December 1994 £'000	12 months to 30 April 1994 £'000
Operating profit/(loss)	(291)	318
Depreciation charge	101	161
Loss on revaluation of land and buildings	25	-
Interest charged	-	36
Decrease in stocks	90	30
(Increase)/Decrease in debtors	316	(261)
Increase/(Decrease) in creditors	(92)	180
	<hr/>	<hr/>
Net cash inflow from operating activities	149	464
	=====	=====

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

25. Analysis of changes in finance during the year

	Bank loan £'000	Finance Leases £'000	Inter Company Loan £'000
Balance at 30 April 1993	2,032	42	-
Payments under finance leases	-	(21)	-
Loan repayments	(84)	-	-
Balance at 30 April 1994	<u>1,948</u>	<u>21</u>	<u>-</u>
Payments under finance leases	-	(11)	-
Additional Loan from Parent Company	-	-	1,000
Loan repayments	(1,113)	-	-
Balance at 31 December 1994	<u>835</u> =====	<u>10</u> =====	<u>1,000</u> =====

26. Analysis of the balances of cash and cash equivalents as shown in the balance sheet

	31 December 1994 £'000	Change in period £'000	30 April 1994 £'000	Change in year £'000	30 April 1993 £'000
Cash at bank and in hand	1	-	1	-	1
Bank overdrafts	(543)	(67)	(476)	21	(497)
	<u>(542)</u> =====	<u>(67)</u> =====	<u>(475)</u> =====	<u>21</u> ==	<u>(496)</u> =====

POWER CENTRE HOLDINGS LIMITED

Notes (continued)

27. Capital commitments

	31 December 1994 £000	30 April 1994 £000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	4 ===	- ==

28. Ultimate holding company

The ultimate holding company is Legrand S.A. which is incorporated in France. Copies of the ultimate holding company's consolidated financial statements are available from Legrand S.A., 128 Avenue de Lattre de Tassigny, 87045 - Limoges, Cédex.