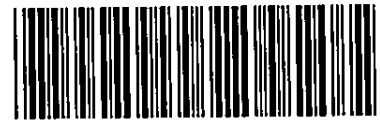


COMPANY REGISTRATION NUMBER 1179371

REGISTRAR

A F SWITCHGEAR LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2007

TUESDAY



A69 *A4Y873KE* 71
30/09/2008
COMPANIES HOUSE

LANGARD LIFFORD HALL LIMITED

Accountants and Registered Auditors

Lifford Hall
Lifford Lane
Kings Norton
Birmingham
B30 3JN

A F SWITCHGEAR LIMITED
COMPANY INFORMATION

Incorporated	In England and Wales on 1 August 1974
The board of directors	I H Foster J R Bosworth M G Harris R Thompson
Company secretary	J R Bosworth
Registered office	Nunn Brook Road Sutton-in-Ashfield Nottinghamshire NG17 2HU
Auditor	Langard Lifford Hall Limited Accountants and Registered Auditors Lifford Hall Lifford Lane Kings Norton Birmingham B30 3JN
Bankers	HSBC Bank Plc 1 King Street Alfreton Derbyshire DE55 7DB

A F SWITCHGEAR LIMITED

DIRECTORS' REPORT

Year Ended 31 December 2007

The directors present their report and financial statements of the company for the year ended 31 December 2007

Principal activities and business review

The company changed its name from AF Switchgear and Control Panels Limited on 1 October 2007. The principal activity of the company continues to be that of the design and manufacture of electrical switchgear and control panel systems. The company's balance sheet as detailed on page 6 shows a satisfactory position, with shareholder's funds amounting to **£5,415,619**. The Key Performance Indicators for this business are its turnover and profitability.

Results and dividends

The profit for the year, after taxation, amounted to **£2,023,815**. The directors have not recommended a dividend.

Financial risk management objectives and policies

The directors continually review the risks to the company but believe that the quality of the company's products and customer service will mitigate these risks, resulting in continued growth and satisfactory trading performance.

Directors and their interests

The directors who served the company during the year together with their beneficial interests in the shares of the parent company were as follows:

		At 31 December 2007	At 1 January 2007
I H Foster	Ordinary	100	-
J R Bosworth	Ordinary	-	-
M G Harris	Ordinary	-	-
R Thompson	Ordinary	-	-

H W Foster resigned as a director on 1 October 2007.

S M Foster resigned as a director on 1 October 2007.

Donations

During the year the company made the following contributions:

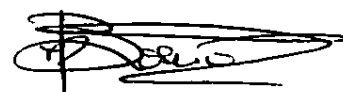
	2007	2006
	£	£
Charitable	6,583	2,136

Auditor

A resolution to re-appoint Langard Lifford Hall Limited as auditor for the ensuing year will be proposed at the annual general meeting in accordance with Section 385 of the Companies Act 1985.

Registered office
Nunn Brook Road
Sutton-in-Ashfield
Nottinghamshire
NG17 2HU

Signed by order of the directors



J R Bosworth
Company Secretary
25 September 2008

A F SWITCHGEAR LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

Year ended 31 December 2007

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

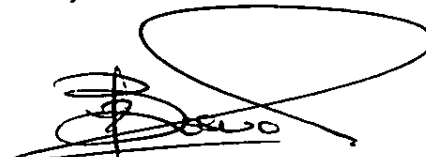
The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Registered office
Nunn Brook Road
Sutton-in-Ashfield
Nottinghamshire
NG17 2HU

Signed by order of the directors

A handwritten signature in black ink, appearing to read 'J R Bosworth', is written over a large, loopy circular flourish.

J R Bosworth
Company Secretary
25 September 2008

A F SWITCHGEAR LIMITED
INDEPENDENT AUDITOR'S REPORT TO A F SWITCHGEAR LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts, together with the financial statements of A F Switchgear Limited for the year ended 31 December 2007 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Langard Lifford Hall Limited

LANGARD LIFFORD HALL LIMITED
Accountants and Registered Auditors
Lifford Hall
Lifford Lane
Kings Norton
Birmingham
B30 3JN

25 September 2008

A F SWITCHGEAR LIMITED
ABBREVIATED PROFIT AND LOSS ACCOUNT
Year Ended 31 December 2007

	Note	2007 £	2006 £
Gross profit		7,451,314	5,367,155
Administrative expenses		(4,621,690)	(4,150,986)
Operating profit	2	2,829,624	1,216,169
Loss on disposal of fixed assets		(507)	(12,971)
		2,829,117	1,203,198
Interest receivable		110,734	63,430
Interest payable and similar charges	5	(41,774)	(41,783)
Profit on ordinary activities before taxation		2,898,077	1,224,845
Tax on profit on ordinary activities	6	(874,262)	(408,294)
Profit for the financial year		2,023,815	816,551

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 8 to 18 form part of these abbreviated accounts

A F SWITCHGEAR LIMITED
ABBREVIATED BALANCE SHEET

31 December 2007

	Note	2007 £	2006 £
Fixed assets			
Intangible assets	7	1,704	1,894
Tangible assets	8	1,812,239	1,475,672
Investments	9	110	-
		<u>1,814,053</u>	<u>1,477,566</u>
Current assets			
Stocks	10	470,757	1,004,024
Debtors	11	6,229,352	5,785,394
Cash at bank and in hand		5,305,297	2,582,874
		<u>12,005,406</u>	<u>9,372,292</u>
Creditors: amounts falling due within one year	12	<u>7,944,393</u>	<u>6,947,138</u>
Net current assets		<u>4,061,013</u>	<u>2,425,154</u>
Total assets less current liabilities		<u>5,875,066</u>	<u>3,902,720</u>
Creditors: amounts falling due after more than one year	13	<u>459,447</u>	<u>510,916</u>
		<u>5,415,619</u>	<u>3,391,804</u>
Capital and reserves			
Called-up equity share capital	18	5,000	5,000
Profit and loss account	19	5,410,619	3,386,804
Shareholder's funds	20	<u>5,415,619</u>	<u>3,391,804</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for medium-sized companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved by the directors on 25 September 2008, and are signed on their behalf by



I H Foster
Director

The notes on pages 8 to 18 form part of these abbreviated accounts

A F SWITCHGEAR LIMITED

CASH FLOW STATEMENT

Year Ended 31 December 2007

	Note	2007 £	2006 £
Net cash inflow from operating activities			
Operating profit		2,829,624	1,216,169
Amortisation		190	210
Depreciation		97,654	97,679
Decrease/(increase) in stocks		533,267	(722,660)
Increase in debtors		(443,958)	(2,288,565)
(Decrease)/increase in creditors		(386,652)	3,308,979
		<u>2,630,125</u>	<u>1,611,812</u>
Returns on investments and servicing of finance			
Interest received		110,734	63,430
Interest paid		(41,774)	(41,783)
		<u>68,960</u>	<u>21,647</u>
Taxation		(405,669)	(84,260)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(536,890)	(92,660)
Receipts from sale of fixed assets		102,162	10,500
		<u>(434,728)</u>	<u>(82,160)</u>
Acquisitions and disposals		(110)	-
Cash inflow before financing		<u>1,858,578</u>	<u>1,467,039</u>
Financing			
Repayment of bank loans		(61,516)	(62,410)
Capital element of hire purchase		64,922	(22,261)
		<u>3,406</u>	<u>(84,671)</u>
Increase in cash	21	<u>1,861,984</u>	<u>1,382,368</u>

The notes on pages 8 to 18 form part of these abbreviated accounts

A F SWITCHGEAR LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2007

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Turnover

The turnover shown in the profit and loss account represents the realisable value of work undertaken during the year, exclusive of Value Added tax.

Research and development

Expenditure on research and development incurred in the year, other than on fixed assets, is charged against profit.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Patents - 10% pa straight line basis

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant and Machinery - 10-33 1/3% pa straight line basis

Motor Vehicles - 20-32 1/2% pa straight line basis

In the directors' view, the expected economic life of the freehold property currently exceeds 50 years. Therefore, in accordance with Financial Reporting Standard 15, it is not depreciated, but subject to annual impairment reviews. This entails comparing the property's carrying value with its current market value and impairing as necessary.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is stated at its realisable value based on the stage of completion.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

A F SWITCHGEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year Ended 31 December 2007

1. Accounting policies *(continued)*

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated, but not reversed, at the balance sheet date.

Deferred tax is measured on an undiscounted basis at tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 Operating profit

Operating profit is stated after charging

	2007	2006
	£	£
Amortisation	190	210
Depreciation of owned fixed assets	52,524	66,641
Depreciation of assets held under hire purchase agreements	45,130	31,038
Auditor's remuneration		
- as auditor	11,000	11,000
- for other services	16,430	5,550
Operating lease costs		
Plant and equipment	5,944	6,875
Land and buildings	18,393	-

A F SWITCHGEAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
Year Ended 31 December 2007

3. Particulars of employees

The average number of staff employed by the company during the financial year amounted to

	2007	2006
	No	No
Number of production staff	49	48
Number of other staff	36	36
	<u>85</u>	<u>84</u>

The aggregate payroll costs of the above were

	2007	2006
	£	£
Wages and salaries	5,586,977	4,436,879
Social security costs	533,637	457,817
Other pension costs	5,882	5,607
	<u>6,126,496</u>	<u>4,900,303</u>

4. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were

	2007	2006
	£	£
Emoluments receivable	<u>2,310,032</u>	<u>1,767,090</u>

Emoluments of highest paid director:

	2007	2006
	£	£
Total emoluments (excluding pension contributions)	<u>1,817,211</u>	<u>1,293,556</u>

Defined contribution pension scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £5,882 (2006 £5,607).

A F SWITCHGEAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
Year Ended 31 December 2007

5. Interest payable and similar charges

	2007	2006
	£	£
Interest payable on bank borrowing	37,897	36,924
Hire purchase charges	3,877	4,859
	<u>41,774</u>	<u>41,783</u>

6. Taxation on ordinary activities

	2007	2006
	£	£
Current tax		
UK Corporation tax based on the results for the year at 30% (2006 - 29.75%)	876,842	408,294
Over provision in prior year	(2,580)	-
Total current tax	<u>874,262</u>	<u>408,294</u>

7 Intangible fixed assets

	Patents
	£
Cost	
At 1 January 2007 and 31 December 2007	<u>3,247</u>
Amortisation	
At 1 January 2007	1,353
Charge for the year	190
At 31 December 2007	<u>1,543</u>
Net book value	
At 31 December 2007	<u>1,704</u>
At 31 December 2006	<u>1,894</u>

A F SWITCHGEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year Ended 31 December 2007

8. Tangible fixed assets

	Freehold Property £	Plant & Machinery £	Motor Vehicles £	Total £
Cost				
At 1 January 2007	1,207,904	599,673	319,269	2,126,846
Additions	195,672	152,026	189,192	536,890
Disposals	-	(2,839)	(204,964)	(207,803)
At 31 December 2007	1,403,576	748,860	303,497	2,455,933
Depreciation				
At 1 January 2007	-	504,609	146,565	651,174
Charge for the year	-	29,961	67,693	97,654
On disposals	-	(2,748)	(102,386)	(105,134)
At 31 December 2007	-	531,822	111,872	643,694
Net book value				
At 31 December 2007	1,403,576	217,038	191,625	1,812,239
At 31 December 2006	1,207,904	95,064	172,704	1,475,672

Freehold property

Freehold property is stated at least at its current market value

Hire purchase agreements

Included within the net book value of £1,812,239 is £135,263 (2006 - £99,644) relating to assets held under hire purchase agreements. The depreciation charged to the abbreviated accounts in the year in respect of such assets amounted to £45,130 (2006 - £31,038).

Capital commitments

	2007 £	2006 £
Contracted but not provided for in the financial statements	-	43,440

A F SWITCHGEAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
Year Ended 31 December 2007

9. Investments

	Investment in subsidiary undertakings £
Cost	
Additions	110
At 31 December 2007	<u>110</u>
Net book value	
At 31 December 2007	<u>110</u>
At 31 December 2006	<u>-</u>

Investments represent the cost of acquisition of shares of the following subsidiary undertakings

Name and Activity	Proportion of shares held	Country of incorporation	Results for year ended 31 Dec 2007 £	Aggregate reserves 31 Dec 2007 £
A F Switchgear Services Limited Design and manufacture of electrical switchgear and control panel systems	100%	England	<u>Nil</u>	<u>100</u>
A F Fabrications Limited Fabrication of electrical switchgear and control panel systems	100%	England	<u>Nil</u>	<u>(6,708)</u>
A F Technical Services Limited Design and manufacture of electrical switchgear and control panel systems	100%	England	<u>Nil</u>	<u>2</u>

10. Stocks

	2007 £	2006 £
Raw materials	106,028	166,483
Work in progress	364,729	837,541
	<u>470,757</u>	<u>1,004,024</u>

A F SWITCHGEAR LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

Year Ended 31 December 2007

11 Debtors

	2007	2006
	£	£
Trade debtors	6,017,966	5,674,532
Amounts owed by group undertakings	97,393	-
Other debtors	5,219	-
Prepayments and accrued income	108,774	110,862
	<u>6,229,352</u>	<u>5,785,394</u>

12. Creditors: amounts falling due within one year

	2007	2006
	£	£
Bank loans and overdrafts	1,318,344	454,214
Trade creditors	2,926,523	3,855,910
Corporation tax	876,842	408,249
PAYE and social security	82,805	105,905
VAT	385,958	484,040
Hire purchase agreements	75,767	24,583
Directors' current accounts	166,416	-
Accruals and deferred income	2,111,738	1,614,237
	<u>7,944,393</u>	<u>6,947,138</u>

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2007	2006
	£	£
Bank loans and overdrafts	1,318,344	454,214
Hire purchase agreements	75,767	24,583
	<u>1,394,111</u>	<u>478,797</u>

13. Creditors: amounts falling due after more than one year

	2007	2006
	£	£
Bank loans and overdrafts	439,331	504,538
Hire purchase agreements	20,116	6,378
	<u>459,447</u>	<u>510,916</u>

A F SWITCHGEAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
Year Ended 31 December 2007

13. Creditors: amounts falling due after more than one year *(continued)*

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2007	2006
	£	£
Bank loans and overdrafts	439,331	504,538
Hire purchase agreements	20,116	6,378
	<u>459,447</u>	<u>510,916</u>

Bank and other borrowing

The bank borrowing is secured against the company's freehold property and by fixed and floating charges over the company's other assets. The aggregate amount of secured liabilities was £1,853,558 at the balance sheet date (2006 £989,713)

14. Creditors - capital instruments

Creditors include finance capital which is due for repayment as follows

	2007	2006
	£	£
Amounts repayable		
In one year or less or on demand	68,805	65,114
In more than one year but not more than two years	72,931	69,020
In more than two years but not more than five years	246,122	232,918
In more than five years	120,278	202,600
	<u>508,136</u>	<u>569,652</u>

15. Commitments under hire purchase agreements

Future commitments under hire purchase agreements are as follows

	2007	2006
	£	£
Amounts payable within 1 year	75,767	24,583
Amounts payable between 2 to 5 years	20,116	6,378
	<u>95,883</u>	<u>30,961</u>

A F SWITCHGEAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS

Year Ended 31 December 2007

16. Deferred taxation

No provision has been made in the financial statements and the amounts unprovided at the end of the year are as follows

	2007 £	2006 £
Excess of taxation allowances over depreciation on fixed assets	<u>2,408</u>	<u>92,789</u>

Deferred taxation is based on a corporation tax rate of 30% (2006 30%)

17. Commitments under operating leases

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as set out below

	2007		2006	
	Land & Buildings £	Other Items £	Land & Buildings £	Other Items £
Operating leases which expire				
Within 1 year	12,500	-	-	-
Within 2 to 5 years	-	8,600	-	8,600
	<u>12,500</u>	<u>8,600</u>	<u>-</u>	<u>8,600</u>

18. Share capital

Authorised share capital:

	2007 £	2006 £
2,500 Ordinary "A" shares of £1 each	2,500	2,500
2,500 Ordinary "B" shares of £1 each	2,500	2,500
	<u>5,000</u>	<u>5,000</u>

Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary "A" shares of £1 each	2,500	2,500	2,500	2,500
Ordinary "B" shares of £1 each	2,500	2,500	2,500	2,500
	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

On 1 October 2007 A F Switchgear Limited became a wholly owned subsidiary of A F Switchgear (Holdings) Limited

A F SWITCHGEAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
Year Ended 31 December 2007

19. Profit and loss account

	2007	2006
	£	£
Balance brought forward	3,386,804	2,570,253
Profit for the financial year	2,023,815	816,551
Balance carried forward	<u>5,410,619</u>	<u>3,386,804</u>

20. Reconciliation of movements in shareholders' funds

	2007	2006
	£	£
Profit for the financial year	2,023,815	816,551
Opening shareholders' funds	3,391,804	2,575,253
Closing shareholder's funds	<u>5,415,619</u>	<u>3,391,804</u>

21. Notes to the statement of cash flows**Reconciliation of net cash flow to movement in net funds**

	2007	2006
	£	£
Increase in cash in the period	1,861,984	1,382,368
Net cash outflow from bank loans	61,516	62,410
Cash outflow in respect of hire purchase	(64,922)	22,261
	<u>1,858,578</u>	<u>1,467,039</u>
Change in net funds	1,858,578	1,467,039
Net funds at 1 January 2007	1,593,161	126,122
Net funds at 31 December 2007	<u>3,451,739</u>	<u>1,593,161</u>

A F SWITCHGEAR LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS

Year Ended 31 December 2007

21. Notes to the statement of cash flows (continued)

Analysis of changes in net funds

	At 1 Jan 2007 £	Cash flows £	At 31 Dec 2007 £
Net cash			
Cash in hand and at bank	2,582,874	2,722,423	5,305,297
Overdrafts	(389,100)	(860,439)	(1,249,539)
	<u>2,193,774</u>	<u>1,861,984</u>	<u>4,055,758</u>
Debt			
Debt due within 1 year	(65,114)	(3,691)	(68,805)
Debt due after 1 year	(504,538)	65,207	(439,331)
Hire purchase agreements	(30,961)	(64,922)	(95,883)
	<u>(600,613)</u>	<u>(3,406)</u>	<u>(604,019)</u>
Net funds	<u>1,593,161</u>	<u>1,858,578</u>	<u>3,451,739</u>

22. Ultimate parent company

The ultimate parent company is A F Switchgear (Holdings) Limited, a company registered in England and Wales