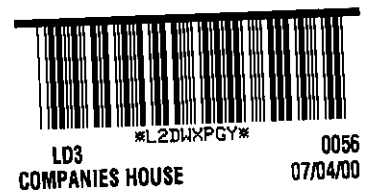


First Technology Automotive Limited

Annual report and accounts
for the year ended 30 April 1999

Registered number: 2504070



Directors and their advisers

Directors

MA Parker

FJ Westlake

OG Burns

Secretary

NWH Clayton

Registered office

2 Columbus Drive

Summit Avenue

Southwood

Farnborough

Hampshire

GU14 0NZ

Auditors

Arthur Andersen

20 Old Bailey

London

EC4M 7AN

Solicitors

Nabarro Nathanson

50 Stratton Street

London

W1X 6NX

Directors' report

For the year ended 30 April 1999

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 30 April 1999.

Statement of directors' responsibilities

Company law requires the directors to prepare accounts 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 accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining 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 accounts 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.

Principal activity

The company's principal activity is to operate as a holding company.

Results and dividends

The profit before taxation for the year amounted to £10,000,000 (1998: £1,378,557). The directors recommend the payment of a dividend of £10,000,000 (1998: £1,000,000).

Directors and their interests in shares

The directors who served during the year were as follows:

MA Parker
FJ Westlake
OG Burns

No director had an interest in the shares of the company. All of the directors at the year end are also directors of First Technology PLC, the ultimate parent company, and their interests in that company's shares are disclosed in its accounts.

Directors' report (continued)

Auditors

The directors will place a resolution before the annual general meeting to reappoint Arthur Andersen as auditors for the ensuing year.

Year 2000

The First Technology PLC Group is very aware of the problems associated with the Year 2000 and is acting in accordance with best practice in this area. The group has reviewed and is modifying its computer systems, mainly by upgrading or replacing package systems. Operations are exposed to the failure of third party suppliers and customers to deal with their Year 2000 issues. All reasonably practical steps are being taken to mitigate those risks.

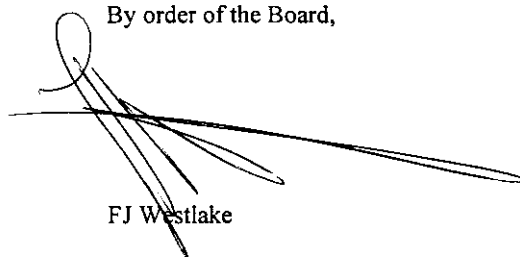
The group Board has delegated detailed implementation to the Chief Executives of individual operating units, with suitable controls operating at a group level. These controls consist of regular reporting on the state of compliance, by the operating units, together with regular reviews by the Board to ensure that this compliance programme is adequately performed and documented at an operating company level.

Changes required to provide Year 2000 compliance have involved and are expected to involve the normal upgrade of computer packages and equipment. No significant incremental costs are expected to be incurred.

2 Columbus Drive
Summit Avenue
Southwood
Farnborough
Hampshire
GU14 0NZ

16 August 1999

By order of the Board,

A handwritten signature in dark ink, appearing to be 'FJ Westlake', written over a horizontal line.

FJ Westlake

Director

Auditors' report

To the shareholders of First Technology Automotive Limited:

We have audited the financial statements on pages 4 to 7 which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 1, the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs at 30 April 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen

Chartered Accountants and Registered Auditors

20 Old Bailey
London
EC4M 7AN

16 August 1999

Profit and loss account

For the year ended 30 April 1999

	Notes	1999 £	1998 £
Profit on sale of tangible fixed assets		-	378,557
Dividend receivable		<u>10,000,000</u>	<u>1,000,000</u>
Profit on ordinary activities before and after taxation		10,000,000	1,378,557
Proposed dividend	2	<u>(10,000,000)</u>	<u>(1,000,000)</u>
Retained profit for the year		<u>-</u>	<u>378,557</u>

There are no recognised gains or losses in either year other than the profit for that year.

The accompanying notes are an integral part of this profit and loss account.

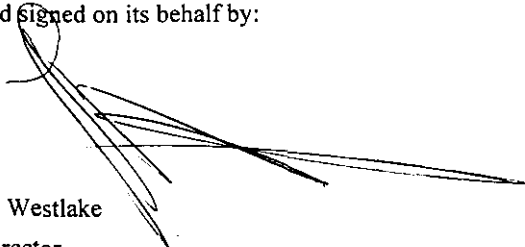
All results are derived from continuing operations.

Balance sheet

30 April 1999

	Notes	1999 £	1998 £
Fixed assets			
Investments	4	<u>128,000</u>	<u>128,000</u>
Current assets			
Debtors	5	10,400,004	1,400,004
Creditors: amounts falling due within one year	6	<u>(10,021,443)</u>	<u>(1,021,443)</u>
Net current assets		<u>378,561</u>	<u>378,561</u>
Net assets		<u>506,561</u>	<u>506,561</u>
Capital and reserves			
Called-up share capital	7	128,004	128,004
Profit and loss account		<u>378,557</u>	<u>378,557</u>
Equity shareholders' funds		<u>506,561</u>	<u>506,561</u>

The accounts on pages 4 to 7 were approved by the board of directors on 16 August 1999 and signed on its behalf by:


FJ Westlake
Director

The accompanying notes are an integral part of this balance sheet.

Notes to the accounts

30 April 1999

1 Accounting policies

a) Basis of accounting

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year. The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

b) Cash flow statement

First Technology PLC has included a group cash flow statement in its accounts in accordance with Financial Reporting Standard No 1 (Revised). Accordingly no cash flow statement is included in these accounts.

c) Group accounts

The company has not prepared group accounts. It is exempt from the requirement to do so by Section 228 of the Companies Act 1985 as it is a subsidiary undertaking of First Technology PLC, a company registered in England and Wales, and is included in the consolidated accounts of that company.

d) Investments

Fixed asset investments in subsidiary undertakings are stated at cost less provision for impairment.

2 Proposed dividend

	1999 £	1998 £
Proposed dividend	<u>10,000,000</u>	<u>1,000,000</u>

3 Tax on profit on ordinary activities

No tax charge arose on the profit for the year ended 30 April 1999 due to the availability of brought forward tax losses.

4 Investments

At 30 April 1999 the company held 100% of the share capital of First Inertia Switch Limited, whose principal activity is the manufacture of automotive safety, security and fire detection equipment. The company is registered in England and Wales. Details of the subsidiary companies of First Inertia Switch Limited are given in its accounts.

The investment is carried at cost of £128,000 (1998: £128,000). In the opinion of the directors no provision for impairment is appropriate.

Notes to the accounts (continued)

5 Debtors

	1999 £	1998 £
Amounts receivable from group undertakings	10,400,002	1,400,002
Other debtors	<u>2</u>	<u>2</u>
	<u>10,400,004</u>	<u>1,400,004</u>

6 Creditors: Amounts falling due within one year

	1999 £	1998 £
Amounts due to group undertakings	21,443	21,443
Proposed dividend	<u>10,000,000</u>	<u>1,000,000</u>
	<u>10,021,443</u>	<u>1,021,443</u>

7 Called-up share capital

	1999 £	1998 £
<i>Authorised</i>		
221,886 ordinary shares of £1 each	<u>221,886</u>	<u>221,886</u>
<i>Allotted, called-up and fully-paid</i>		
128,004 ordinary shares of £1 each	<u>128,004</u>	<u>128,004</u>

8 Ultimate parent company

The directors regard First Technology PLC, a company registered in England and Wales, as the company's ultimate parent company and controlling party. First Technology PLC is the parent company of the only group of which First Technology Automotive Limited is a member and for which group accounts are drawn up. Copies of that company's accounts can be obtained from the Company Secretary, 2 Columbus Drive, Summit Avenue, Southwood, Farnborough, Hampshire, GU14 0NZ.

9 Related party transactions

The company has taken advantage of the exemption permitted by Financial Reporting Standard No 8, Related Party Disclosures, and not disclosed transactions with group companies.