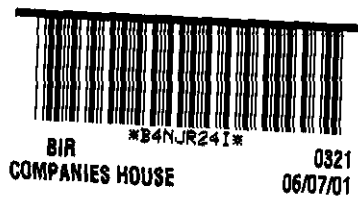


Registered number: 2702477

General Automation Limited

**Directors' report and financial
statements**

30 September 2000



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Directors and officials

DIRECTORS

C Winn (Chairman)

M Stoddard

SECRETARY

A Frost

AUDITORS

KPMG

1 The Embankment

Neville Street

Leeds

LS1 4DW

REGISTERED OFFICE

Newater House

11 Newhall Street

Birmingham

B3 3NY

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 September 2000.

Principal activities

The company did not trade during the year.

Directors and directors' interests

The directors at the date of this report are set out on page 1. Messrs Winn and Stoddard were appointed on 3 April 2001. Mrs C E Stewart and Mr D Watson served as directors from the start of the year until their resignations on 23 March 2000 and 3 April 2001 respectively. Mrs S G Newnes-Smith served as a director from 23 March 2000 to 3 April 2001.

The directors have no interests in the shares of the company. Both of the directors are directors of the holding company, Sandsenor Limited, and their interests in the shares of that company are disclosed in its accounts.

Statement of directors' responsibilities in respect of the accounts

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 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 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 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 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

Ernst & Young resigned during the year and KPMG were appointed as auditors. A resolution for the re-appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



A Frost
Secretary
30 April 2001

kpmg

KPMG

1 The Embankment
Neville Street
Leeds
LS1 4DW
United Kingdom

Report of the auditors to the members of General Automation Limited

We have audited the financial statements on pages 4 to 7.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

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 the company's affairs as at 30 September 2000 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

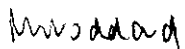
KPMG
Chartered Accountants
Registered Auditor

30 April 2001

Balance sheet
at 30 September 2000

	<i>Note</i>	2000 £	1999 £
FIXED ASSETS			
Investments	3	47,531	47,531
CREDITORS – amounts falling due within one year			
Amounts owed to group undertakings		(47,529)	(47,529)
		<hr/>	<hr/>
NET CURRENT LIABILITIES		(47,529)	(47,529)
		<hr/>	<hr/>
		<hr/>	<hr/>
TOTAL ASSETS LESS LIABILITIES		2	2
		<hr/>	<hr/>
CAPITAL AND RESERVES			
Called up share capital	4	2	2
		<hr/>	<hr/>
SHAREHOLDER'S FUNDS - EQUITY		2	2
		<hr/>	<hr/>

These financial statements were approved by the board of directors on 30 April 2001 and were signed on its behalf by:



M Stoddard
Director

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Consolidation

The company has not prepared consolidated financial statements as it is a wholly owned subsidiary undertaking of a company incorporated in the United Kingdom, which has produced consolidated accounts. In the opinion of the directors the company's investment in its subsidiary undertakings is worth at least the value at which they are stated in these financial statements.

Cash flow statement

Under the provisions of Financial Reporting Standard Number 1 (revised 1996), the Company has not prepared a cash flow statement because, as a wholly owned subsidiary of Sanderson Group Limited, it satisfies the exemption criteria. A Group cash flow statement is included in the financial statements of the ultimate parent company, Sandsenor Limited.

Foreign currencies

Assets, liabilities, revenues and cost denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions; monetary assets and liabilities at the balance sheet date are translated at the year end rates of exchange. All resulting exchange differences are dealt with in the profit and loss account in the period in which they arise.

Depreciation

The cost of tangible fixed assets is depreciated by equal instalments over their expected useful lives. The principal depreciation rates per annum are:-

Plant and equipment	15%
Motor vehicles	25%

Deferred taxation

Deferred taxation in respect of accelerated capital allowances and other timing differences is provided under the liability method except where such timing differences are expected, with reasonable probability, to continue in the foreseeable future.

Research and development

Research and development expenditure is charged to the profit and loss account in the period in which it is incurred.

Service and support contracts

Income received under service and support contracts is credited to the profit and loss account on a time basis over the period in which it is earned. Costs incurred under the service and support contracts are charged to the profit and loss account in the period in which they are incurred.

Notes (continued)

1. Accounting Policies (continued)

Pension benefits

Contributions to separately administered defined benefit pension schemes are charged to the profit and loss account to spread the costs of pensions over the employees' working lives with the company. The regular pension costs are attributed to individual years using the projected unit credit method. Variations in pension costs which are identified as a result of actuarial valuations, are amortised over the average expected working lives of employees in proportion to their expected payroll costs. Differences between the amounts funded and the amounts charged to the profit and loss account are treated as either provisions or prepayment in the balance sheet.

Contributions to defined contribution pension schemes are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Profit and loss account

The company has not traded during the period and accordingly has made neither a profit nor a loss. Therefore a profit and loss account, reconciliation of funds and statement of movements in shareholders' funds have not been prepared.

3 Investments

	£
Subsidiary undertaking – shares at cost	
30 September 1999 and 30 September 2000	63,907
Amounts written off	
30 September 1999 and 30 September 2000	(16,376)
	<hr/>
Net book value	
30 September 1999 and 30 September 2000	47,531
	<hr/>

The company owns 49.76% of the issued ordinary share capital of Astralogic Limited, a company registered in England & Wales.

4 Called up share capital

	<i>Authorised</i>		<i>Allotted, called up & fully paid</i>	
	<i>2000</i>	<i>1999</i>	<i>2000</i>	<i>1999</i>
	£	£	£	£
Ordinary shares of £1 each	100	100	2	2
	<hr/>	<hr/>	<hr/>	<hr/>

Notes *(continued)*

5 Commitments

No future capital expenditure had been contracted for but not provided for at 30 September 2000 or 30 September 1999.

6 Ultimate parent company and parent undertaking of larger group of which the company is a member

The immediate parent undertaking of the company is Sanderson Group Limited. The ultimate parent undertaking, and the undertaking which produces consolidated accounts is Sandsenor Limited, which is registered in England & Wales. Copies of the group accounts are available from Companies House, Crown Way, Maindy, Cardiff.

7 Ultimate controlling party

55.6% of the issued share capital of Sandsenor Limited is held by Alchemy Partners Nominees Limited on behalf of Alchemy Partners (Guernsey) Limited, the Plan Manager of the Alchemy Investment Plan.

8 Related party transactions

The company has taken advantage of the exemptions in FRS8 from disclosing transactions with related parties that are part of the Sandsenor Group or investees of the group.