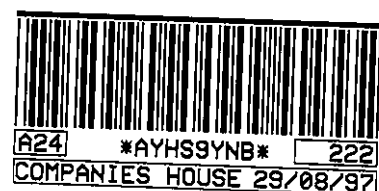


**HALMA SAFETY LIMITED**  
**(formerly Castell Safety International Limited)**

**DIRECTORS' REPORT AND ACCOUNTS**

**29 MARCH 1997**

**Registered Number: 671388**



## HALMA SAFETY LIMITED

### DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 29TH MARCH 1997

The Directors present their annual report and the audited accounts for the 52 weeks ended 29th March 1997.

#### PROFIT AND DIVIDENDS

The Profit and Loss Account shows a profit before tax of £nil. The Directors do not recommend the payment of a dividend.

#### REVIEW OF BUSINESS

The Company ceased to act as agent for another Group company on 30th March 1996. The Company did not trade during the period of 52 weeks ended 29th March 1997.

#### DIRECTORS

The Directors of the Company during the period and at the period end were as follows:

N J Young            (Chairman)  
D A Milner  
K A Cooper  
R McKerracher    (Secretary)

J A Smith resigned from the board on 14th June 1996

#### CHANGE OF NAME

The name of the Company was changed from Castell Safety International Limited to Halma Safety Limited on 3rd October 1996.

## HALMA SAFETY LIMITED

### DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 29TH MARCH 1997

#### DIRECTORS' INTERESTS

The Company is a wholly-owned subsidiary of Halma p.l.c. In accordance with paragraph 2 of schedule 7 to the 1985 Companies Act, the interests of the Directors at 30th March 1997, who were not also Directors of Halma p.l.c., in the Ordinary shares of that company were as follows:

	<u>At 30th March 1996</u>		<u>At 29th March 1997</u>		<u>During the 52 weeks</u>	
	Shares	Options	Shares	Options	Options Granted	Options Exercised
N J Young	31,544	275,124	111,627	126,941	14,300	162,483
D A Milner	4,400	144,021	-	152,721	8,700	-
K A Cooper	-	6,667	-	6,667	-	-
R McKerracher	8,910	9,600	-	9,600	-	-

The Directors held the above options under the share option schemes approved by Halma p.l.c. shareholders, exercisable by 2006 at prices between 70p and 184p per share.

Apart from these interests, no such Directors had, during the period any other interests in the shares of that company.

#### DIRECTOR'S RESPONSIBILITIES

It is the responsibility of the Directors to prepare financial statements for each financial period which 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 for that period.

The Directors have responsibility for ensuring that proper accounting records are maintained which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors also 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.

The Directors consider that, in preparing the financial statements on pages 5 to 9, appropriate accounting policies have been used, which have been consistently applied and supported by reasonable and prudent judgements and estimates, that all accounting standards which they consider to be applicable have been followed, and that it is appropriate to use a going concern basis.

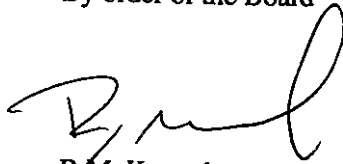
HALMA SAFETY LIMITED

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 29TH MARCH 1997

AUDITORS

Price Waterhouse have expressed their willingness to continue in office and a resolution will be proposed at the Annual General Meeting for their re-appointment as Auditors.

By order of the Board



R McKerracher  
Secretary

25th July 1997

Kingsbury Road  
London NW9 8UR

*Price Waterhouse*



## **AUDITORS' REPORT TO THE MEMBERS OF HALMA SAFETY LIMITED**

We have audited the financial statements on pages 5 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

### **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 explanation 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 as at 29 March 1997 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

Price Waterhouse  
Chartered Accountants  
and Registered Auditors

25 July 1997

# HALMA SAFETY LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE 52 WEEKS ENDED 29TH MARCH 1997

52 weeks ended  
30th March 1996

£ 5,174,052	TURNOVER (Note 2)	£ -
-	TRADING PROFITS (Note 3)	-
-	PROFIT TRANSFERRED TO RESERVES	-
260,747	Retained profit brought forward	260,747
£ 260,747	Retained profit carried forward	£ 260,747

The Company had no recognised gains or losses during the year other than those reflected in the above Profit and Loss Account.

The annexed notes form part of these accounts.

HALMA SAFETY LIMITED  
BALANCE SHEET AT 29TH MARCH 1997

30th March 1996

CURRENT ASSETS

1,560,681	Debtors (Note 5)	270,747
73,355	Cash at bank and in hand	-
<u>1,634,036</u>		<u>270,747</u>

CREDITORS: AMOUNTS FALLING  
DUE WITHIN ONE YEAR.

<u>1,363,289</u>	Creditors (Note 6)	-
£ <u>270,747</u>	NET CURRENT ASSETS	£ <u>270,747</u>

CAPITAL AND RESERVES

CALLED UP SHARE CAPITAL

10,000	Ordinary shares of £1 each (Authorised, Issued and Fully Paid)	10,000
<u>260,747</u>	PROFIT AND LOSS ACCOUNT	<u>260,747</u>
£ <u>270,747</u>	SHAREHOLDERS' FUNDS	£ <u>270,747</u>

Approved by the Board of Directors  
on 25th July 1997.

Directors: D A Milner

R McKerracher

The annexed notes form part of these accounts

# HALMA SAFETY LIMITED

## NOTES TO THE ACCOUNTS

### 1. ACCOUNTING POLICIES

#### Basis of Accounting

The accounts set out on pages 5 to 9 are prepared under the historical cost convention and in accordance with applicable UK Accounting Standards.

#### Turnover

Turnover represents sales, less returns, excluding value added tax.

#### Foreign Currency Translation

Transactions denominated in foreign currencies are translated at the exchange rate ruling on the date of the transaction. Balance Sheet items denominated in foreign currencies are translated at the exchange rate ruling on the Balance Sheet date. Foreign currency exchange differences are dealt with in arriving at the Trading Profit.

### 2. TURNOVER

The geographical analysis of the Company's turnover is as follows:

	1997	1996
United Kingdom	-	4,264,214
United States of America	-	282,535
Europe excluding UK	-	436,039
Far East and Australasia	-	125,006
Other	-	66,258
	<hr/>	<hr/>
	£ -	£ 5,174,052



# HALMA SAFETY LIMITED

## NOTES TO THE ACCOUNTS (Continued)

### 3. TRADING PROFITS

	1997	1996
Trading profits arise wholly from acquired activities and comprise:		
Turnover	-	5,174,052
Cost of Sales	<u>-</u>	<u>(5,174,052)</u>
Gross Profit	£ <u>-</u>	£ <u>-</u>

The auditors' remuneration is borne by another Group Company.

### 4. DIRECTORS' REMUNERATION

	1997	1996
Remuneration (including pension contributions)	£ <u>-</u>	£ <u>-</u>
Remuneration (excluding pension contributions):		
Chairman	£ <u>-</u>	£ <u>-</u>
	Number	Number
Other Directors		
£ 0 - £ 5,000	3	3

### 5. DEBTORS

	1997	1996
Trade debtors	-	1,072,646
Amounts due from Group companies	270,747	436,327
Other debtors	-	51,708
	£ <u>270,747</u>	£ <u>1,560,681</u>

### 6. CREDITORS

	1997	1996
Amounts due to Group companies	-	1,337,904
Accruals and deferred income	-	25,385
	£ <u>-</u>	£ <u>1,363,289</u>

## HALMA SAFETY LIMITED

### NOTES TO THE ACCOUNTS (Continued)

#### 7. CASH FLOW STATEMENT

The Company is not required to produce a Cash Flow Statement. Such a statement is prepared on a Group basis and is disclosed in the accounts of the ultimate parent company.

#### 8. RELATED PARTY TRANSACTIONS

As permitted by FRS8, the Company has not disclosed related party transactions with fellow Group companies.

#### 9. ULTIMATE PARENT COMPANY

The ultimate parent company of Halma Safety Limited is Halma p.l.c. The accounts of Halma p.l.c. can be obtained from the Company Secretary, Misbourne Court, Rectory Way, Amersham, Bucks, HP7 0DE.