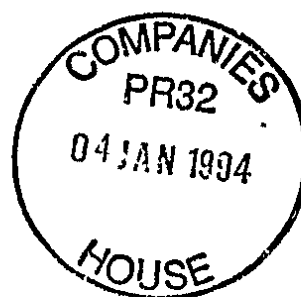


VOLUMATIC LIMITED

3 APRIL 1993

Registered No. 1069143



## VOLUMATIC LIMITED

### DIRECTORS' REPORT FOR THE 53 WEEKS ENDED 3 APRIL 1993

The Directors present their annual report and the audited accounts for the 53 weeks ended 3 April 1993.

#### PROFITS AND DIVIDENDS

The Profit and Loss Account shows a profit before taxation of £530,443 and the profit after taxation amounts to £342,773. An interim dividend on the Ordinary Shares of £250,000 was paid on 3 April 1993. The Directors do not recommend the payment of a final dividend. The remaining profit of £92,773 will be added to reserves.

#### PRINCIPAL ACTIVITIES

The company is principally engaged in the assembly, servicing and distribution of security and safety products and there has been no significant change in these activities during the period.

#### REVIEW OF BUSINESS

The Directors consider that the Company's financial results and resources are satisfactory. The need of the Company's customers to provide security should ensure a continuing demand for the Company's products.

#### FUTURE DEVELOPMENTS

The Company continues to improve its existing products and search for new products.

#### FIXED ASSETS

There have been no significant changes in fixed assets during the period. Note 7 to the accounts sets out the movements which have occurred during the period.

#### DIRECTORS

The Directors of the Company who served during the period were as follows:

P A TETT	
M P HAMILTON	(Appointed 20 October 1992).
F R PEGG	
L MATHEW	(Resigned 20 May 1992).
A ASHURST	
G V SMITH	(Resigned 1 May 1992)
P W WALTON	(Resigned 13 October 1992).
C BARTON	(Resigned 20 October 1992).

Liability insurance has been provided for the Directors of the Company as permitted by the Companies Act 1985.

# VOLUMATIC LIMITED

DIRECTORS' REPORT THE 53 WEEKS ENDED 3 APRIL 1993 (Continued)

## DIRECTORS' INTERESTS

The Company is a wholly owned subsidiary of Halma p.l.c. In accordance with Schedule 7 paragraph 2 of the 1985 Companies Act, the interests of the Directors at 3 April 1993, who were not also Directors of Halma p.l.c., in the Ordinary Shares of that Company were as follows:

	at 28 March 1992		at 3 April 1993		during the 53 weeks	
	Shares	Options	Shares	Options	Options Granted	Exercised
F R PEGG	147,453	-	147,453	-	-	-
M P HAMILTON	-	-	500	-	-	-
N ASHURST	4,864	11,200	4,864	11,200	-	-

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

## AUDITORS

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

By Order of the Board

21 June 1993

N ASHURST  
Secretary

Taurus House  
Endemere Road  
Coventry West Midlands

*Price Waterhouse*



**AUDITORS' REPORT TO THE MEMBERS OF  
VOLUMATIC LIMITED**

We have audited the financial statements on pages 4 to 12 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 3 April 1993 and of its profit for the 53 weeks then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

PRICE WATERHOUSE  
Chartered Accountants  
and Registered Auditor

21 June 1993

# VOLUMATIC LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE 53 WEEKS ENDED 3 APRIL 1993

1992

£5,244,795		TURNOVER (Note 2)	£5,960,431
<u>371,300</u>		TRADING PROFITS (Note 3)	<u>492,916</u>
		INTEREST	
	(11,134)	Bank Overdraft interest payable	(8,039)
	(38,356)	Group Loan interest (payable)/ receivable	<u>45,566</u>
(49,490)			<u>37,527</u>
<u>321,810</u>		PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	530,443
(113,609)		Tax on profit on ordinary activities (Note 6)	<u>187,670</u>
<u>208,201</u>		PROFIT FOR THE FINANCIAL YEAR	342,773
(250,000)		Dividends - Ordinary Interim Paid	<u>(250,000)</u>
<u>(41,799)</u>		PROFIT/(LOSS) TRANSFERRED TO RESERVES	92,773
453,571		Retained profits brought forward	<u>411,772</u>
<u>£411,772</u>		Retained profits carried forward	<u>£504,545</u>

The annexed notes form part of these accounts.

VOLUMATIC LIMITED

BALANCE SHEET AS AT 3 APRIL 1993

1992	FIXED ASSETS	
£506,146	Tangible Assets (Note 7)	£318,723
	CURRENT ASSETS	
1,142,789	Stocks (Note 8)	792,337
1,286,489	Debtors (Note 9)	1,519,033
79,241	Cash at Bank and in Hand	122,328
<u>2,508,519</u>		<u>2,433,698</u>
	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	
114,150	Corporation Tax	199,592
2,483,661	Creditors (Note 10)	2,047,284
<u>2,597,811</u>		<u>2,246,876</u>
(89,292)	NET CURRENT LIABILITIES	186,822
<u>416,854</u>	TOTAL ASSETS LESS CURRENT LIABILITIES	<u>505,545</u>
	PROVISIONS FOR LIABILITIES AND CHARGES (Note 11)	0
(4,082)		<u>£505,545</u>
<u>£412,772</u>		
Authorised, issued and fully paid	CAPITAL AND RESERVES	Authorised, issued and fully paid
	CALLED UP SHARE CAPITAL	
900	£1 Ordinary Shares	900
100	£1 Deferred Shares	100
<u>1,000</u>		<u>1,000</u>
411,772	PROFIT AND LOSS ACCOUNT	504,545
<u>£412,772</u>		<u>£505,545</u>
	Approved by the Board of Directors on 21 June 1993.	

*Michael Hamilton*

M P HAMILTON

N ASHURST.

The annexed notes form part of these accounts.

## NOTES TO THE ACCOUNTS

### 1. ACCOUNTING POLICIES

#### Basis of Accounting

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The accounts set out on pages 4-12 are prepared under the historical cost convention and comply with applicable UK Accounting Standards.

#### Turnover

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Turnover represents sales less returns excluding Value Added Tax.

#### Profits

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Profit before taxation reflects profits arising from normal trading and excludes profits and losses on transactions outside the ordinary activities of the Company. Such items are treated as extraordinary items.

#### Depreciation

---

Depreciation is provided on all tangible assets on the straight line method, each item being written off over its estimated useful life. The principal annual rates used for this purpose are:

#### Leasehold Properties

	Period of Lease
- less than 50 years unexpired	
Plant, machinery and equipment	8% - 20%
Motor Vehicles	20%
Short Life Tooling	33.1/3%

#### Research and Development

---

Expenditure on Research and Development is written off in the financial period in which it is incurred.

#### Leases

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Rental Payments in respect of operating leases are charged to the profit and loss account in the period in which they become payable.

#### Deferred Taxation

---

Provision is made for taxation deferred because of timing differences between profits as computed for taxation purposes and profits as stated in the accounts except to the extent that such taxation will not be payable in the foreseeable future. Timing differences are due primarily to the excess of tax allowances on fixed assets over the corresponding depreciation charged in the accounts, and also on the timing differences relating to patents.

#### Foreign Currency Translation

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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 Profit on Ordinary Activities before Taxation

VOLUMATIC LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (Continued)

Stocks

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Stocks are included at the lower of cost and net realisable value. Costs include the appropriate proportion of production and other overheads considered by the Directors to be attributable to bringing the stock to its location and condition at period end.

Pensions

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Contributions to the Halma Group Pension Plan are assessed by a qualified actuary based on the cost of providing pensions across all participating Halma Group companies. Costs are not determined for each individual company hence contributions are charged to the profit and loss account in the period in which they become payable.

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# VOLUMATIC LIMITED

## NOTES TO THE ACCOUNTS

### 2. TURNOVER

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

	1993	1992
United Kingdom	4,491,508	4,194,482
United States of America	47,315	67,328
Europe excluding UK	809,261	792,098
Far East and Australasia	524,889	166,452
Africa, Near and Middle East	77,008	23,464
Other	10,450	971
	<u>£5,960,431</u>	<u>£5,244,795</u>

### 3. TRADING PROFITS

	1993	1992
Trading profits comprise:		
Turnover	5,960,431	5,244,795
Cost of Sales	(4,724,102)	(4,508,780)
Gross Profit	<u>1,236,329</u>	<u>736,015</u>
Distribution Costs	(113,306)	(154,881)
Administration Expenses	(631,153)	(213,161)
Other Operating Income	1,046	3,327
	<u>£492,916</u>	<u>£371,300</u>

Trading profits are arrived at after charging:

	£	£
Depreciation	145,101	148,984
Research and Development	129,855	120,701
Directors Remuneration (Note 4)	237,365	248,209
Auditors Remuneration	9,800	10,300
Other fees payable to auditors	1,785	2,235
Hire of Plant and Machinery	1,312	4,619
Operating Lease Rents: Property	70,500	61,317
Other	14,538	12,356

VOLUMATIC LIMITED

NOTES TO THE ACCOUNTS (Continued)

4.	DIRECTORS' REMUNERATION	1993	1992
		----	----
	Remuneration (including pension contributions) also included in this amount is £49,817 paid to former directors as compensation for loss of office. (1992 - £Nil).	£237,365	£248,209
		-----	-----
	Remuneration (excluding pension contributions)	£218,315	224,166
	Chairman	Nil	Nil
	Highest paid Director	£44,594	£50,725
	Other Directors	-----	-----
	£10,001 - £15,000	1	-
	£20,001 - £25,000	2	-
	£30,001 - £35,000	1	4
	£35,001 - £40,000	2	1
5.	EMPLOYEE INFORMATION		
	The average number of persons employed by the Company during the period was:		
		1993	1992
		----	----
	Full-time	107	128
	Part-time	2	3
		----	----
		109	131
		----	----
	Employee costs of the Company comprised:		
	Wages and Salaries	1,331,466	1,432,041
	Social Security Costs	108,454	113,092
	Other Pension Costs	57,220	63,610
		-----	-----
		£1,497,140	£1,608,743
		-----	-----
6.	TAX ON PROFIT ON ORDINARY ACTIVITIES	1993	1992
		----	----
	Corporation Tax at 33%	180,583	106,198
	Charge for depreciation in excess of capital allowance	16,634	6,482
	Prior year adjustment	(9,547)	929
		-----	-----
		£187,670	£113,609
		-----	-----
	Comprising		
	Current Taxation	188,460	115,029
	Deferred Taxation	(790)	(1,420)
		-----	-----
		£187,670	£113,609
		-----	-----

# VOLUMATIC LIMITED

## NOTES TO THE ACCOUNTS (Continued)

7.	TANGIBLE ASSETS	Plant, Equipment Vehicles, etc
	Cost	
	At 28 March 1992	1,074,312
	Additions	45,481
	Disposals	(163,521)
	At 3 April 1993	956,272
	Depreciation	
	At 28 March 1992	568,166
	Charge for the Period	145,101
	Disposals	(75,718)
	At 3 April 1993	637,549
	NET BOOK VALUE	
	At 3 April 1993	£318,723
	NET BOOK VALUE	
	At 28 March 1992	£506,146

Capital expenditure authorised and outstanding at 3 April 1993 amounted to £12,360 (1992 - £5,395). Contracts placed against these authorisations so far as not provided in these accounts amounted to £12,360 (1992 - £5,395).

### COMMITMENTS UNDER OPERATING LEASES

At 3 April 1993 the company had commitments under non-cancellable operating leases expiring as follows:

	Land and Buildings	Land and Buildings	Other	Other
	1993	1992	1993	1992
Within two to five years	55,000	54,700	14,538	12,356
After five years	15,500	6,617	-	-
	£70,500	£61,317	£14,538	£12,356

8.	STOCKS	1993	1992
	Raw Materials and Consumables	260,083	398,854
	Work in Progress	89,903	70,960
	Finished Goods and Goods for resale	442,351	672,975
		£792,337	£1,142,789

VOLUMATIC LIMITED

NOTES TO THE ACCOUNTS (Continued)

9.	DEBTORS	1993	1992
	Trade Debtors	1,466,816	1,188,233
	Amounts due from Group Companies	8,072	11,703
	Other Debtors	8,198	33,937
	Prepayments and accrued income	35,947	52,616
		<u>£1,519,033</u>	<u>£1,286,489</u>

10.	CREDITORS	1993	1992
	Trade Creditors	818,284	495,535
	Taxation and Social Security	146,338	142,751
	Amount due to Group Companies	999,092	1,785,124
	Accruals and Deferred Income	83,570	60,251
		<u>£2,047,284</u>	<u>£2,483,661</u>

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11.	PROVISIONS FOR LIABILITIES AND CHARGES	1993	1992
	DEFERRED TAXATION		
	Comprises timing differences due to:		
	Fixed Assets		4,404
	Other - patents		(322)
		<u>0</u>	<u>£4,082</u>
	The potential amount for all timing differences is:		
	Fixed Assets		14,680
	Other - patents		(322)
		<u>0</u>	<u>£14,358</u>

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VOLUMATIC LIMITED ..

NOTES TO THE ACCOUNTS (Continued)

12. PENSIONS

The Company participates in the Halma Group Pension Plan. This scheme is of the defined benefit type providing benefits to certain employees within the Halma Group and the assets are held separately from the Group's assets.

The latest actuarial valuation of the Halma Group Pension Plan was carried out as at 1 December 1990. Details of the valuation are contained in the financial statements of the Halma Group.

The total pension cost of the Company was £57,220 (1992: £63,610).

13. 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.

14. ULTIMATE PARENT COMPANY

The ultimate parent company of Volumatic Limited is Halma p.l.c., a company registered in England. The accounts of Halma p.l.c., can be obtained from the Company Secretary, Misbourne Court, Rectory Way, Amersham, Bucks HP7 ODE.

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VOLUMATIC LIMITED

3 APRIL 1993

Registered No. 1069143