

Company Registration No. 1211050

**TRITON PLC**

**FINANCIAL STATEMENTS**

**31st March 1995**



## **REPORT OF THE DIRECTORS**

### **For The Year Ended 31st March 1995**

The Directors present their report and the audited financial statements for the year ended 31st March 1995.

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the Company is the design, development, manufacture and marketing of a range of electric and mixer showers, bathroom accessories and allied products.

Growth achieved during the year has been offset by the transitional costs of introducing an extensive range of new products.

The Directors are confident that growth will continue for the foreseeable future through investment in research and development, new products, new markets and customer care.

#### **RESULTS AND DIVIDENDS**

The profit for the year after taxation amounts to £900,000.

It is recommended that this amount be dealt with as follows:-

	£
Ordinary Dividends: final proposed	719,000
Transfer to Reserves	<u>181,000</u>
	<u>900,000</u>

#### **TAXATION**

Norcros p.l.c. has assumed responsibility for discharging any liability for United Kingdom corporation tax, current or deferred, so long as the Company remains a member of the Norcros Group. The Directors have received assurances that Norcros p.l.c. at this time has no plans involving the disposal of shares in the Company.

## SIGNIFICANT CHANGES IN FIXED ASSETS

The movements in fixed assets during the year are set out in note 10 to the financial statements.

## DIRECTORS

The following served as Directors during and, unless otherwise indicated, throughout the year:-

Mr J Matthews (Appointed 10 June 1994)  
Mr P T Warry (Resigned 22 August 1994)  
Mr E W Goold (Appointed 4 April 1994)  
Mr V J Ensor (Resigned 23 September 1994)  
Ms L Fellowes (Appointed 1 November 1994)  
Mr J M Hodgkinson  
Mr J B McCarthy (Appointed 26 September 1994)  
Mr G Tiso (Resigned 31 December 1994)

## DIRECTORS' INTERESTS

Mr J Matthews is a Director of the Company's holding company, Norcros p.l.c. and therefore his interests in the shares of Norcros p.l.c. are not required to be disclosed in this report.

According to the register kept by the Company the other Directors who held office at 31 March 1995 had the following interests in the shares of Norcros p.l.c.:

	31st March 1995	1st April 1994 (or date of appointment if later)
	Ordinary Shares of 25p each	Ordinary Shares of 25p each
Mr E W Goold	1,285	1,285
	81,957 *	71,957 *
	23,063 **	15,416 **
Mr J M Hodgkinson	28,587 *	23,587 *
	1,003 **	1,003 **

\* Shares represented by options to purchase acquired under the terms of the Norcros p.l.c. 1985 Executive Share Option Scheme at option prices ranging from 106.82p to 358.93p per ordinary share and exercisable at various dates up to July 2004.

## **DIRECTORS' INTERESTS (continued)**

\*\* Shares represented by options to purchase acquired under the terms of the Norcros p.l.c. Savings Related Share Option Scheme at option prices ranging between 87.57p and 251.16p per ordinary share and exercisable between 6 March 1996 and 28 February 2000.

Except for the above, none of the Directors has a disclosable interest in the shares of any company in the Norcros Group.

Save in respect of the Norcros p.l.c. 1985 Executive Share Option Scheme and the Norcros p.l.c. Savings Related Scheme, no arrangement to which the Company was or is a party subsisted at the end of the year, or at any time in the year, to enable the Directors to acquire any interest by the acquisition of shares or debentures of the Company or any other body corporate.

None of the Directors had any beneficial interest in any significant contract to which the Company was a party during the year.

The Company benefits from Directors' and Officers' liability insurance arranged by Norcros p.l.c. on behalf of the Company and its Directors and Officers.

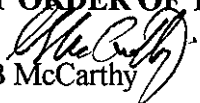
## **EMPLOYEES**

The Company has raised the level of training offered to all employees with regard to their individual roles within the Company and in the important areas of product knowledge and knowledge of Company procedures. All employees are notified of factors affecting the Company through the Company communication programme. Employee contribution is encouraged through the employee committee with members elected from various locations of Company activity. These actions have resulted in employees being aware of the Company's future and have enriched their commitment to the Company's success. On 11th March 1994 the Company was awarded Investors in People by Coventry Training and Enterprise Council.

## **EMPLOYMENT OF DISABLED PERSONS**

The Company recognises its responsibilities towards disabled persons and therefore all applications from such persons are fully considered bearing in mind the respective aptitudes and abilities of the applicants. In the event of existing employees becoming disabled every effort is made to ensure that their employment with the Company continues and that the appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of a person who is fortunate enough not to suffer from a disability.

## **BY ORDER OF THE BOARD**

  
J B McCarthy  
Secretary

15 June 1995

## **TRITON PLC**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Board of Directors is required each year to provide financial statements which give a true and fair view of the results and state of affairs of the Company and the Group. The financial statements must comply with the provisions of the Companies Act 1985 and with applicable Accounting Standards.

In preparing the financial statements, the Directors have responsibility for adopting accounting policies appropriate to the Company's business. These policies must be applied consistently, taking a reasonable and prudent view where judgements and estimates are necessary. The Directors must maintain adequate accounting records, and take reasonable steps to protect the assets of the Company and to deter and detect fraud and other irregularities.

The Directors confirm their compliance with these requirements and that the financial statements have been prepared on the going concern basis.

## **REPORT OF THE AUDITORS**

To the members of TRITON PLC

We have audited the financial statements on pages 6 to 19.

### **Respective responsibilities of Directors and Auditors.**

As described on page 4 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.

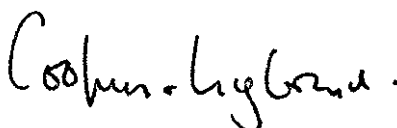
### **Basis of opinion**

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 explanations which we consider 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 at 31st March 1995, and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



### **COOPERS & LYBRAND**

Chartered Accountants and Registered Auditors  
Birmingham  
15th June 1995

## TRITON PLC

### PROFIT AND LOSS ACCOUNT

#### FOR THE YEAR ENDED 31st MARCH, 1995

	Notes	1995 £'000	1994 £'000
TURNOVER	2	<u>37,052</u>	<u>36,414</u>
Operating Profit	3	1,136	6,631
Interest Receivable	4	<u>14</u>	<u>26</u>
Profit before Interest Payable		1,150	6,657
Interest Payable	5	<u>(250)</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	6	900	6,657
Taxation	8	<u>-</u>	<u>-</u>
Profit on Ordinary Activities after Taxation		900	6,657
Dividends	9	<u>(719)</u>	<u>(5,184)</u>
TRANSFER TO RESERVES	18	<u>181</u>	<u>1,473</u>

The Company has no recognised gains and losses other than the profits above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the retained profit for the year stated above and their historical cost equivalents.

The profit on ordinary activities before taxation relates wholly to continuing activities.

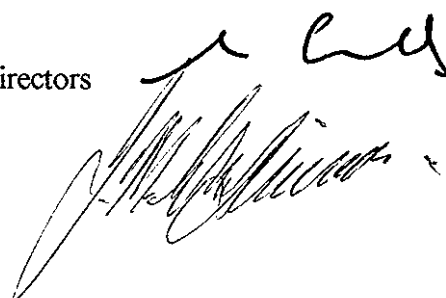
**TRITON PLC****BALANCE SHEET****AT 31st MARCH 1995**

	Notes	1995 £'000	1994 £'000
<b>FIXED ASSETS</b>			
Tangible Assets	10	5,530	4,624
Investments	11	<u>2,468</u>	<u>2,468</u>
		<u>7,998</u>	<u>7,092</u>
<b>CURRENT ASSETS</b>			
Stocks	13	3,991	4,091
Debtors	14	5,490	5,436
Cash at bank and in hand		1	4,579
Loans to Group Companies		<u>7,336</u>	<u>6,743</u>
		<u>16,818</u>	<u>20,849</u>
<b>CURRENT LIABILITIES</b>			
Creditors: Amounts falling due within one year	15	<u>(13,096)</u>	<u>(16,402)</u>
<b>NET CURRENT ASSETS</b>		3,722	4,447
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>11,720</u>	<u>11,539</u>
<b>Financed by:</b>			
<b>CAPITAL AND RESERVES</b>			
Called up Share Capital	16	57	57
Share Premium Account	18	2,462	2,462
Profit and Loss Account	18	<u>9,201</u>	<u>9,020</u>
<b>EQUITY SHAREHOLDERS FUNDS</b>		<u>11,720</u>	<u>11,539</u>

The accounts on pages 6 to 19 were approved by the board of Directors on the 15th June 1995 and were signed on its behalf by:-

1. E W Goold
2. J H Hodgkinson

Directors



## **TRITON PLC**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31ST MARCH 1995**

#### **1. STATEMENT OF ACCOUNTING POLICIES**

##### **ACCOUNTING CONVENTION**

The financial statements have been prepared on the historical cost basis of accounting, modified to include the revaluation of certain properties, and in accordance with applicable Accounting Standards in the United Kingdom.

##### **ACCOUNTING REFERENCE DATE**

All figures have been made up to Sunday 2nd April 1995, the Sunday nearest to 31st March.

##### **TURNOVER**

Turnover represents the total amount, less value added tax, receivable by the Company for goods supplied and services rendered as principal during the year and is net of rebates paid to customers.

Turnover does not include claims for the recovery of increased costs until they are received.

##### **RESEARCH AND DEVELOPMENT**

All expenditure on research and development is charged against the profits of the year in which it is incurred.

##### **FOREIGN CURRENCIES**

Assets and liabilities expressed in foreign currencies are translated into sterling at rates applicable at the year end. Exchange gains and losses of a trading nature are dealt with in arriving at the profit before taxation.

##### **OPERATING LEASES**

Operating lease rentals are charged against profit in the year in which they are incurred.

## **TRITON PLC**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

#### **1. STATEMENT OF ACCOUNTING POLICIES (continued)**

##### **DEPRECIATION**

Depreciation on cost is calculated by the straight line method at rates considered appropriate to the class and the life of the asset concerned.

Principal depreciation rates for land and buildings are 2 %, plant and other equipment are between 10 % and 20 % and for transport and motor vehicles 25 %.

##### **STOCK AND WORK-IN-PROGRESS**

Stock and work-in-progress is valued at the lower of cost, including a proportion of the appropriate manufacturing overheads, and net realisable value on bases which have been applied consistently with the previous financial year.

##### **WARRANTY EXPENDITURE**

Warranty costs are written off against profit in the year in which they are incurred.

##### **PENSION FUNDING**

The Company's occupational pension schemes are funded by contributions partly from the employees and partly from the Company at rates determined by independent actuaries. Pension costs have been calculated in accordance with SSAP24.

##### **CASH FLOW STATEMENT**

The Company has not published a cash flow statement as its parent company, Norcross p.l.c., includes a consolidated cash flow statement in its accounts.

#### **2. TURNOVER**

	1995 £'000	1994 £'000
United Kingdom	32,246	31,104
Overseas	<u>4,806</u>	<u>5,310</u>
	<u>37,052</u>	<u>36,414</u>

## **TRITON PLC**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

#### **2. TURNOVER (continued)**

The analysis of turnover and profit before taxation by class of business has not been given. Turnover for 1994 has been restated by a reduction of £ 1,535,000 to reflect the adoption of the policy of deducting customer rebates from turnover which the directors consider more accurately reflect the trading position. An identical adjustment has been made in the distribution and marketing costs. The equivalent sum for 1995 is £1,658,000.

#### **3. OPERATING PROFIT**

	1995 £'000	1994 £'000
Turnover	37,052	36,414
Cost of Sales	<u>(24,563)</u>	<u>(20,553)</u>
GROSS PROFIT	12,489	15,861
Distribution and Marketing Costs	(6,638)	(4,846)
Administration Expenses	(4,112)	(3,808)
Other Operating Costs	<u>(603)</u>	<u>(654)</u>
	1,136	6,553
Operating Income	<u>-</u>	<u>78</u>
OPERATING PROFIT	<u>1,136</u>	<u>6,631</u>

#### **4. INTEREST RECEIVABLE**

	1995 £'000	1994 £'000
Interest receivable	<u>14</u>	<u>26</u>

#### **5. INTEREST PAYABLE**

	1995 £'000	1994 £'000
On bank loans, overdrafts and other loans: Repayable within 5 years, not by instalments	<u>250</u>	-

**TRITON PLC****NOTES TO THE FINANCIAL STATEMENTS (continued)****6. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	1995 £'000	1994 £'000
Profit on ordinary activities before taxation is stated after crediting:		
Rent receivable (net of outgoings)	25	30
Profit arising on sale of fixed assets	8	-
and is after charging:		
Depreciation of tangible fixed assets	(933)	(647)
Provision for reorganisation cost	(300)	-
Research and development expenditure	(603)	(655)
Auditors' remuneration (including expenses) for:		
Audit	(14)	(16)
Other	(4)	(15)
Hire of plant and machinery	(14)	(15)
Operating lease rental:		
Property	(268)	(184)
Equipment	(293)	(391)

## TRITON PLC

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 7. DIRECTORS AND EMPLOYEES

The average weekly number of persons (including Directors) employed by the Company during the year was:

	1995 Number	1994 Number
Management and Administration	27	20
Production, Research and Development	237	216
Sales, Marketing and Service	<u>180</u>	<u>148</u>
	<u>444</u>	<u>384</u>

	1995 £'000	1994 £'000
Staff costs (for the above persons):		
Wages and salaries	5,887	5,185
Social Security costs	520	434
Other Pensions costs	<u>157</u>	<u>148</u>
	<u>6,254</u>	<u>5,767</u>

The remuneration paid to Directors was:

	1995 £'000	1994 £'000
For Management Services (including pension contributions)	273	217
Fees	-	-
Compensation for loss of office	<u>60</u>	<u>-</u>
	<u>333</u>	<u>217</u>

Fees and other emoluments disclosed above (excluding pension contributions) include amounts paid to:

The Chairman	<u>NIL</u>	<u>NIL</u>
The highest paid director	<u>84</u>	<u>67</u>

## **TRITON PLC**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

#### **7. DIRECTORS AND EMPLOYEES (continued)**

The number of Directors who received fees and other emoluments (excluding pension contributions and compensation for loss of office) falling within the following bands:

	1995 Number	1994 Number
£ 0 - £ 5,000	2	-
£15,001 - £20,000	1	-
£20,001 - £25,000	1	-
£30,000 - £35,000	1	-
£35,001 - £40,000	1	-
£40,001 - £45,000	-	1
£45,001 - £50,000	-	2
£50,001 - £55,000	1	-
£65,001 - £70,000	-	1
£80,001 - £85,000	1	-

#### **8. TAXATION**

No charge to United Kingdom taxation has been provided on the results for the year. Any United Kingdom tax liability which may arise and is not eliminated by the offset of group relief and/or advance corporation tax, for neither of which payment will be made, will be discharged by Norcros p.l.c.

#### **9. DIVIDENDS**

	1995 £'000	1994 £'000
Dividends on equity shares:		
Ordinary - Final proposed of £12.61 per share (1994 £90.95)	<u>719</u>	<u>5,184</u>

**TRITON PLC****NOTES TO THE FINANCIAL STATEMENTS (continued)****10. TANGIBLE FIXED ASSETS**

	Land and Buildings £'000	Plant, Machinery, Equipment and Motor Vehicles £'000	Total £'000
<u>Cost or Valuation</u>			
At 1st April 1994	2,076	7,586	9,662
Additions	364	1,475	1,839
Disposals	-	(5)	(5)
At 31st March 1995	<u>2,440</u>	<u>9,056</u>	<u>11,496</u>
<u>Depreciation</u>			
At 1st April 1994	(221)	(4,817)	(5,038)
Charge for the year	(108)	(825)	(933)
Additional charge	-	-	-
Eliminated in respect of disposals	-	5	5
At 31st March 1995	<u>(329)</u>	<u>(5,637)</u>	<u>(5,996)</u>
<u>Net Book Value</u>			
At 31st March 1995	<u>2,111</u>	<u>3,419</u>	<u>5,530</u>
At 31st March 1994	<u>1,855</u>	<u>2,769</u>	<u>4,624</u>
Land and buildings at net book value comprise:			
		1995 £'000	1994 £'000
Freeholds		1,766	1,855
Short Leaseholds		<u>345</u>	<u>-</u>
		<u>2,111</u>	<u>1,855</u>

**TRITON PLC**

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 11. SHARES IN GROUP COMPANIES

	1995 £'000	1994 £'000
Shares at cost	2,469	2,469
Less: amounts written off	<u>(1)</u>	<u>(1)</u>
	<u>2,468</u>	<u>2,468</u>

The Company's subsidiaries, all of which are registered in England and Wales, are as follows:-

Name	Status
Bermuda Showers Ltd	Non trading
Florida Plastics Ltd	Non trading
Metlex Industries Ltd	Non trading
Cantonian Ltd	Non trading
Aquatron (Showers) Ltd	Non trading
Aquatron (Shower Fittings) Ltd	Non trading

All the above subsidiaries are wholly owned, the last three being subsidiaries of Metlex Industries.

The company has not prepared consolidated accounts since it is a wholly owned subsidiary of Norcros p.l.c., a company registered in England and Wales.

**TRITON PLC**

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 12. FUTURE COMMITMENTS

#### Capital

	1995 £'000	1994 £'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	125	345
Capital expenditure that has been authorised by the Directors but has not yet been contracted for	402	-

#### Revenue

The Company has future revenue commitments for the annual payment of operating lease rentals on leases which expire:

	1995 Property £'000	1995 Equipment £'000	1994 Property £'000	1994 Equipment £'000
Within one year	-	104	-	99
Two to five years	80	142	-	248
Over 5 years	<u>505</u>	<u>-</u>	<u>179</u>	<u>-</u>
	<u>585</u>	<u>246</u>	<u>179</u>	<u>347</u>

### 13. STOCKS

	1995 £'000	1994 £'000
Stocks comprise:		
Raw materials and consumables	1,613	2,565
Work-in-progress	985	295
Finished goods	<u>1,393</u>	<u>1,231</u>
	<u>3,991</u>	<u>4,091</u>

**TRITON PLC**

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 14. DEBTORS

	1995 £'000	1994 £'000
Amounts falling due within one year:		
Trade debtors	5,228	5,287
Amounts owed by fellow group undertakings	18	-
Other debtors	129	76
Prepayments and accrued income	<u>115</u>	<u>73</u>
	<u>5,490</u>	<u>5,436</u>

### 15. CREDITORS

	1995 £'000	1994 £'000
Amounts falling due within one year:		
Bank overdraft	1,922	-
Trade Creditors	3,776	5,217
Amount owed to holding company	2,088	2,139
Amounts owed to fellow group undertakings	2,505	2,505
Dividends payable	719	5,184
Other taxation and social security payable	427	586
Accruals	<u>1,659</u>	<u>771</u>
	<u>13,096</u>	<u>16,402</u>

**TRITON PLC**

# **NOTES TO THE FINANCIAL STATEMENTS (continued)**

## **16. CALLED-UP SHARE CAPITAL**

	1995 £'000	1994 £'000
<u>Authorised</u>		
61,000 ordinary shares of £1 each	<u>61</u>	<u>61</u>
<u>Allotted, called up and fully paid</u>		
57,000 ordinary shares of £1 each	<u>57</u>	<u>57</u>

## **17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	1995 £'000	1994 £'000
Profit for the financial year	181	1,473
Opening shareholders' funds	<u>11,539</u>	<u>10,066</u>
Closing shareholders' funds	<u>11,720</u>	<u>11,539</u>

## **18. SHARE PREMIUM ACCOUNT AND RESERVES**

	Share premium account £'000	Profit and loss account £'000
At 1st April 1994	2,462	9,020
Retained profit for the year	-	<u>181</u>
At 31st March 1995	<u>2,462</u>	<u>9,201</u>

**TRITON PLC**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **19. PENSION COMMITMENTS**

The Company adheres to the Norcros Security Plan which is a defined benefit scheme. Contributions are based on pension costs for the whole Group and for the year to 31 March 1995 are at the rate of 10.1% of pensionable earnings. Details of the latest actuarial valuation will be found in the accounts of Norcros p.l.c.

The Company also contributes to a defined contribution scheme called The Norcros Pension Builder Scheme for certain employees.

### **20. GUARANTEES**

The Company has given unlimited joint guarantees to the principal bankers of Norcros p.l.c. (its parent Company) and the bankers of its fellow wholly owned UK trading subsidiary companies, in respect of the facilities provided by those banks. No security has been given under the guarantees. At 31st March 1995 the company's joint and several contingent liability under these guarantees was £ 86.8 m. The Directors do not consider that any liability will arise under the guarantees.

### **21.. ULTIMATE HOLDING COMPANY**

The Company's ultimate holding Company is Norcros p.l.c., a company incorporated in Great Britain and registered in England and Wales. A copy of the Norcros p.l.c. accounts may be obtained from The Company Secretary at Norcros House, Bagshot Road, Bracknell, Berkshire, RG12 3SW.