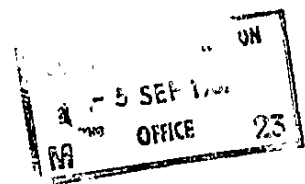


TRITON PLC

1211050

DIRECTORS' REPORT AND ACCOUNTS

31st MARCH 1987



TRITON PLCDIRECTORS' REPORT

The directors have pleasure in submitting their annual report and the audited accounts for the year ended 31st March 1987.

Change of name and re-registration as a public company

Triton Aquatherm Limited, formerly registered as a private company, changed its name and re-registered under the Companies Act 1985 as a public limited company on 6th June 1986 and is now incorporated under the name of Triton plc.

Principal activities

The principal activity of the company is the design, development, manufacture and marketing of a range of electric showers and other products. The Bermuda Showers subsidiary carries on the business of distributing electric showers under the Bermuda brand name.

Business review and future developments

| | <u>1987</u> <u>£'000</u> | <u>1986</u> <u>£'000</u> |
|--|-----------------------------|-----------------------------|
| Turnover | 14,112 | 11,788 |
| Profit on ordinary activities before taxation and exceptional items | 3,296 | 2,217 |
| Exceptional directors remuneration | (626) | - |
| Profit on ordinary activities before taxation | 2,670 | 2,217 |
| Taxation | (950) | (908) |
| Profit on ordinary activities after taxation | 1,720 | 1,309 |
| Dividends paid | (1,400) | (300) |
| Profit retained in the business | 320 | 1,009 |

The group has continued the expansion achieved in recent years and the directors are confident that growth will continue for the foreseeable future particularly through its policy of investment in the research and development of existing and new products and markets. There has also been an increased investment in the customer service department and during the year British Quality Standard BS 5750 Part 2 was obtained.

TRITON PLCDIRECTORS' REPORT
(continued)Directors and directors' interests

The directors who served during the year were:

I.R. Steel (Chairman)
J.D. Powell (Managing Director)
M.W. Dalton
K.A. Dixon
Mrs. M. Steel
P.M. Levy

On 16th April 1986 Mrs. M. Steel resigned as a director and Mr. P.M. Levy was appointed as a non-executive director.

The interests (including non-beneficial interests) of the directors in the share capital of the company, as recorded in the register of directors' interests, were:

| | <u>31st March 1987</u> | | <u>31st March 1986</u> | |
|-------------|----------------------------------|---|----------------------------------|---|
| | Ordinary shares of £1 each | 3% non- cumulative preference shares of £1 each | Ordinary shares of £1 each | 3% non- cumulative preference shares of £1 each |
| I.R. Steel | 30,000 | 600 | 3,000 | 600 |
| J.D. Powell | 15,000 | 300 | 1,500 | 300 |
| M.W. Dalton | 5,000 | 100 | 500 | 100 |

Tax status

The company is a close company within the meaning of the Income and Corporation Taxes Act 1970.

Auditors

At the company's last annual general meeting, Peat, Marwick, Mitchell & Co. were re-appointed as auditors of the company. They are now practising under the name of Peat Marwick McLintock and accordingly they have signed the audit report in their new name. A resolution for their re-appointment as auditors of the company is to be proposed at the forthcoming annual general meeting.

By Order of the Board

RE Walker

Secretary

3.

REPORT OF THE AUDITORS TO THE MEMBERS OF

TRITON PLC

We have audited the accounts on pages 4 to 20 in accordance with approved auditing standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company and of the group at 31st March 1987 and of the profit and source and application of funds of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Peat Marwick McLintock

Chartered Accountants

Birmingham

15th July 1987

TRITON PLC AND SUBSIDIARY COMPANIES
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH 1987

| | Note | 1987 £'000 | 1986 £'000 |
|---|------|---------------|---------------|
| TURNOVER | 2 | 14,112 | 11,788 |
| Cost of sales | | (7,567) | (6,585) |
| GROSS PROFIT | | 6,545 | 5,203 |
| Distribution costs | | (1,859) | (1,652) |
| Administrative expenses | | (1,720) | (1,483) |
| TRADING PROFIT | | 2,966 | 2,068 |
| Other operating income | 4 | 59 | 50 |
| Net interest receivable | 3 | 271 | 99 |
| Profit before exceptional item | | 3,296 | 2,217 |
| Exceptional directors' remuneration | 4 | (626) | - |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | 4 | 2,670 | 2,217 |
| Tax on profit on ordinary activities | 7 | (950) | (908) |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | 8 | 1,720 | 1,309 |
| Dividends | 9 | (1,400) | (300) |
| RETAINED PROFIT FOR THE FINANCIAL YEAR | | 320 | 1,009 |

| | Note | 1987 £'000 | 1986 £'000 |
|--|------|---------------|---------------|
| STATEMENT OF RETAINED PROFITS | | | |
| Retained profit for the period | | 320 | 1,009 |
| Retained profits at beginning of period as previously reported | | 2,373 | 1,317 |
| Prior year adjustment | 19 | - | 62 |
| As restated | | 2,373 | 1,379 |
| | | 2,693 | 2,388 |
| Capitalisation of reserves | (45) | - | - |
| Consolidation goodwill written off | | - | (15) |
| Retained profits at end of period | | 2,648 | 2,373 |

TRITON PLC AND SUBSIDIARY COMPANIESCONSOLIDATED BALANCE SHEETAT 31st MARCH 1987

| | | 1987 | | 1986 | |
|--|------|----------------|--------------|----------------|--------------|
| | Note | £'000 | £'000 | £'000 | £'000 |
| FIXED ASSETS | | | | | |
| Tangible assets | 10 | | 1,057 | | 922 |
| CURRENT ASSETS | | | | | |
| Stocks | 12 | 1,312 | | 977 | |
| Debtors | 13 | 1,701 | | 1,432 | |
| Net investment in finance leases and hire purchase contracts | 14 | 299 | | 639 | |
| Cash at bank and in hand | | 2,076 | | 2,177 | |
| | | <u>5,388</u> | | <u>5,225</u> | |
| CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR | 15 | <u>(3,620)</u> | | <u>(3,345)</u> | |
| NET CURRENT ASSETS | | | <u>1,768</u> | | <u>1,880</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 2,825 | | 2,802 |
| CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR | 16 | | (25) | | (154) |
| PROVISIONS FOR LIABILITIES AND CHARGES | 17 | | <u>(101)</u> | | <u>(269)</u> |
| NET ASSETS | | | <u>2,699</u> | | <u>2,379</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 18 | | 51 | | 6 |
| Profit and loss account | | | 2,648 | | 2,373 |
| | | | <u>2,699</u> | | <u>2,379</u> |

These accounts were approved by the board of directors on

15 JUL 1987

)
) DIRECTORS
)

[Signature]
[Signature]

TRITON PLCBALANCE SHEETAT 31st MARCH 1987

| | | 1987 | | 1986 | |
|--|------|----------------|--------------|----------------|--------------|
| | Note | £'000 | £'000 | £'000 | £'000 |
| FIXED ASSETS | | | | | |
| Tangible assets | 10 | | 1,053 | | 907 |
| CURRENT ASSETS | | | | | |
| Stocks | 12 | 1,512 | | 954 | |
| Debtors | 13 | 1,694 | | 1,442 | |
| Net investment in finance leases and hire purchase contracts | 14 | 299 | | 639 | |
| Cash at bank and in hand | | 2,064 | | 2,177 | |
| | | <u>5,369</u> | | <u>5,212</u> | |
| CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR | | | | | |
| | 15 | <u>(3,597)</u> | | <u>(3,302)</u> | |
| NET CURRENT ASSETS | | | | | |
| | | | <u>1,772</u> | | <u>1,910</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | | | |
| | | | 2,825 | | 2,817 |
| CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR | | | | | |
| | 16 | | (25) | | (154) |
| PROVISIONS FOR LIABILITIES AND CHARGES | | | | | |
| | 17 | | <u>(101)</u> | | <u>(269)</u> |
| NET ASSETS | | | | | |
| | | | <u>2,699</u> | | <u>2,394</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 18 | | 51 | | 6 |
| Profit and loss account | | | 2,648 | | 2,388 |
| | | | <u>2,699</u> | | <u>2,394</u> |

These accounts were approved by the board of directors on

15 JUL 1987

) DIRECTORS

TRITON PLC AND SUBSIDIARY COMPANIESCONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDSFOR THE YEAR ENDED 31st MARCH 1987

| | 1987 | | 1986 | |
|--|--------------|--------------|--------------|--------------|
| | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> |
| <u>SOURCE OF FUNDS</u> | | | | |
| Profit on ordinary activities before taxation | | 2,670 | | 2,217 |
| Adjustments for items not involving the movement of funds: | | | | |
| Depreciation | 454 | | 426 | |
| Loss on sale of tangible fixed assets | 24 | | 41 | |
| | | 478 | | 467 |
| FUNDS GENERATED FROM OPERATIONS | | 3,148 | | 2,684 |
| <u>FUNDS FROM OTHER SOURCES</u> | | | | |
| Proceeds of sale of tangible fixed assets | 80 | | 40 | |
| Increase in creditors falling due after more than one year | - | | 18 | |
| Decrease in investment in finance leases | 340 | | 270 | |
| | | 420 | | 328 |
| | | 3,568 | | 3,012 |
| <u>APPLICATION OF FUNDS</u> | | | | |
| Purchase of tangible fixed assets | (693) | | (457)* | |
| Decrease in creditors falling due after more than one year | (129) | | - | |
| Tax paid | (1,066) | | (82) | |
| Dividends paid | (1,400) | | (300) | |
| Purchase of goodwill on acquisition of subsidiary | - | | (15)* | |
| | | 3,288 | | (854) |
| INCREASE IN WORKING CAPITAL | | 280 | | 2,158 |

TRITON PLC AND SUBSIDIARY COMPANIESCONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDSFOR THE YEAR ENDED 31st MARCH 1987

(continued)

| | 1987 | | 1986 | |
|--|--------------|--------------|--------------|--------------|
| | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> |
| <u>COMPONENTS OF INCREASE IN WORKING CAPITAL</u> | | | | |
| Stocks | | 335 | | 96* |
| Debtors | | 269 | | 103* |
| Creditors falling due within one year | | (243) | | (403)* |
| Movement in net liquid funds: | | | | |
| (Decrease)/increase in cash at bank and in hand | (101) | | 1,847 | |
| Decrease in bank overdraft | 20 | | 515 | |
| | | (81) | | 2,362 |
| | | 280 | | 2,158 |

* Summary of the effects of the acquisition of Bermuda Showers Limited

Net assets acquired:

| | <u>£'000</u> |
|--------------|--------------|
| Fixed assets | 15 |
| Goodwill | 15 |
| Stocks | 23 |
| Debtors | 56 |
| Creditors | (109) |
| | - |

The consideration for the acquisition was £2 payable in cash

TRITON PLC AND SUBSIDIARY COMPANIESNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st MARCH 19871. Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's accounts:

(a) Basis of accounting

The accounts have been prepared under the historical cost convention.

(b) Consolidation

The consolidated accounts incorporate the accounts of Triton plc and its subsidiary companies made up to 31st March each year.

(c) Depreciation

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost of each asset by equal instalments over their estimated useful lives on the following bases:

| | |
|--|--------------------------------|
| Plant and machinery (excluding tooling) | - 20% per annum straight line |
| Tooling | - 25% per annum straight line |
| Fixtures, fittings and equipment | - 20% per annum straight line |
| Motor vehicles | - 25% per annum straight line |
| Leasehold premises and improvements | - Over the period of the lease |

(d) Stocks

Stocks and work in progress are stated at the lower of cost, including an appropriate proportion of production related overheads, and net realisable value.

(e) Research and development expenditure

Expenditure on research and development is written off against profits in the year in which it is incurred except for expenditure on related tangible fixed assets which is written off over the expected useful life of the asset.

(f) Deferred taxation

Deferred taxation is provided using the liability method in respect of the taxation effect of all timing differences to the extent that it is probable that liabilities will crystallise in the foreseeable future.

TRITON PLC AND SUBSIDIARY COMPANIESNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st MARCH 1987

(continued)

1. Principal accounting policies (continued)(g) Finance leases

Where assets purchased by the group are leased out on finance leases they are written off over the primary period of the lease on an equal instalment basis.

The net investment in finance leases is included under current assets and is calculated in accordance with the provisions of Statement of Standard Accounting Practice No.21. Finance lease income is recognised on an equal annual instalment basis over the period of the lease.

(h) Goodwill

Goodwill, being the excess of the cost of shares in subsidiaries over the fair value of their net tangible assets at the date of acquisition is written off to reserves in the year in which it arises.

2. Turnover

Turnover represents net amounts invoiced by the group in respect of goods and services provided, excluding value added tax.

The analysis of turnover by geographical area is as follows:

| | <u>1987</u> <u>£'000</u> | <u>1986</u> <u>£'000</u> |
|-------------------|-----------------------------|-----------------------------|
| United Kingdom | 13,277 | 11,124 |
| Rest of Europe | 492 | 367 |
| Far East and Asia | 276 | 264 |
| Other | 67 | 33 |
| | <u>14,112</u> | <u>11,788</u> |

3. Net interest receivable/(payable)

| | <u>1987</u> <u>£'000</u> | <u>1986</u> <u>£'000</u> |
|--|-----------------------------|-----------------------------|
| Interest receivable | 308 | 137 |
| Interest payable: | | |
| On bank loans, overdrafts and other loans wholly repayable within five years | (2) | (12) |
| Hire purchase interest | (35) | (26) |
| | <u>271</u> | <u>99</u> |

TRITON PLC AND SUBSIDIARY COMPANIESNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st MARCH 1987

(continued)

4. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging or crediting the following:

| | <u>1987</u> | <u>1986</u> |
|--|--------------|--------------|
| | <u>£'000</u> | <u>£'000</u> |
| Depreciation of tangible fixed assets | 454 | 426 |
| Annual directors emoluments (see note 6) | 198 | 156 |
| Exceptional directors' remuneration (see note 6) | 626 | - |
| Auditors' remuneration | 14 | 12 |
| Other operating income: | | |
| Lease and hire purchase rentals receivable | 379 | 374 |
| Depreciation of assets held as finance leases | (340) | (347) |
| Other administrative expenses | (3) | - |
| Profit on leasing and hire purchase trade | 36 | 27 |
| Other income | 23 | 23 |
| | <u>59</u> | <u>50</u> |

5. Staff numbers and costs

The average number of persons employed by the group (including directors) during the year, analysed by category, was as follows:

| | <u>1987</u> | <u>1986</u> |
|--------------------------------------|---------------|---------------|
| | <u>Number</u> | <u>Number</u> |
| Management and administration | 18 | 16 |
| Production, research and development | 114 | 113 |
| Sales, marketing and service | 69 | 46 |
| | <u>201</u> | <u>175</u> |

The aggregate payroll costs of these persons were as follows:

| | <u>£'000</u> | <u>£'000</u> |
|-----------------------|--------------|--------------|
| Wages and salaries | 1,818 | 1,336 |
| Social security costs | 174 | 123 |
| Other pension costs | 490 | 72 |
| | <u>2,482</u> | <u>1,531</u> |

TRITON PLC AND SUBSIDIARY COMPANIESNOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 1987
(continued)

6. Emoluments of directors

| | <u>1987</u> <u>£'000</u> | <u>1986</u> <u>£'000</u> |
|---|-----------------------------|-----------------------------|
| Annual: | | |
| Remuneration for executive services | 141 | 100 |
| Pension contributions | 57 | 56 |
| | <u>198</u> | <u>156</u> |
| Exceptional: | | |
| Remuneration for executive services | 182 | - |
| Employers national insurance thereon | 19 | - |
| Pension contributions | 425 | - |
| | <u>626</u> | <u>-</u> |
| Particulars of emoluments, excluding pension contributions, are as follows: | | |
| Emoluments of the chairman | 182 | 22 |
| Emoluments of the highest paid director (excluding chairman) | <u>59</u> | <u>38</u> |
| The emoluments of the other directors were within the following ranges: | <u>Number</u> | <u>Number</u> |
| £ 0 - £ 5,000 | 1 | 1 |
| £ 5,001 - £10,000 | 1 | - |
| £10,001 - £15,000 | - | 1 |
| £25,001 - £30,000 | 1 | 1 |
| £45,001 - £50,000 | 1 | - |

7. Tax on profit on ordinary activities

| | <u>1987</u> <u>£'000</u> | <u>1986</u> <u>£'000</u> |
|---|-----------------------------|-----------------------------|
| Taxation based on the profit for the year : | | |
| Corporation tax at 35% (1986 : 40%) | 1,118 | 1,068 |
| Deferred taxation | (168) | (156) |
| Corporation tax over provided in previous years | - | (4) |
| | <u>950</u> | <u>908</u> |

TRITON PLC AND SUBSIDIARY COMPANIESNOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 1987
(continued)

8. Profit on ordinary activities after taxation

A separate profit and loss account for the company has not been presented under the exemption provided in Section 228 of the Companies Act 1985. Of the profit on ordinary activities for the year after taxation, £1,709,000 (1986 : £1,309,000) is dealt with in the accounts of the company.

9. Dividends

| | <u>1987</u> <u>£'000</u> | <u>1986</u> <u>£'000</u> |
|---|-----------------------------|-----------------------------|
| Dividend of £36 per £1 ordinary share on the basis of 50,000 ordinary shares | 1,800 | 300 |
| Less dividends waived | (400) | - |
| Paid 27th March 1987 | <u>1,400</u> | <u>300</u> |

(1986: Dividend of £60 per £1 ordinary share on the basis of 5,000 ordinary shares paid 27th March 1986 with no waivers).

The dividend in respect of the preference shares was waived for the years ended 31st March 1986 and 31st March 1987.

10. Tangible fixed assets

| <u>Group</u> | <u>Short leasehold property</u> <u>£'000</u> | <u>Plant and machinery</u> <u>£'000</u> | <u>Fixtures, fittings and equipment</u> <u>£'000</u> | <u>Motor vehicles</u> <u>£'000</u> | <u>Total</u> <u>£'000</u> |
|---------------------------|---|--|---|---|------------------------------|
| Cost | | | | | |
| At 1st April 1986 | 160 | 1,489 | 301 | 332 | 2,282 |
| Additions | 17 | 369 | 9 | 298 | 693 |
| Disposals | - | (44) | (1) | (143) | (188) |
| At 31st March 1987 | <u>177</u> | <u>1,814</u> | <u>309</u> | <u>487</u> | <u>2,787</u> |

TRITON PLC AND SUBSIDIARY COMPANIESNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st MARCH 1987
(continued)10. Tangible fixed assets (continued)

| <u>Group</u> | <u>Short leasehold property £'000</u> | <u>Plant and machinery £'000</u> | <u>Fixtures, fittings and equipment £'000</u> | <u>Motor vehicles £'000</u> | <u>Total £'000</u> |
|---------------------|---|--|---|-------------------------------------|------------------------|
| Depreciation | | | | | |
| At 1st April 1986 | 23 | 1,050 | 174 | 113 | 1,360 |
| Charge for the year | 12 | 275 | 42 | 125 | 454 |
| Disposals | - | (18) | - | (66) | (84) |
| At 31st March 1987 | 35 | 1,307 | 216 | 172 | 1,730 |
| Net book value | | | | | |
| At 31st March 1987 | 142 | 507 | 93 | 315 | 1,057 |
| At 31st March 1986 | 137 | 439 | 127 | 219 | 922 |
| <u>Company</u> | | | | | |
| Cost | | | | | |
| At 1st April 1986 | 160 | 1,489 | 300 | 312 | 2,261 |
| Additions | 17 | 369 | 9 | 298 | 693 |
| Disposals | - | (44) | - | (130) | (174) |
| At 31st March 1987 | 177 | 1,814 | 309 | 480 | 2,780 |
| Depreciation | | | | | |
| At 1st April 1986 | 23 | 1,050 | 174 | 107 | 1,354 |
| Charge for the year | 12 | 275 | 42 | 120 | 449 |
| Disposals | - | (18) | - | (58) | (76) |
| At 31st March 1987 | 35 | 1,307 | 216 | 169 | 1,727 |

TRITON PLC AND SUBSIDIARY COMPANIESNOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 1987
(continued)

10. Tangible fixed assets (continued)

| <u>Company</u> | <u>Short leasehold property £'000</u> | <u>Plant and machinery £'000</u> | <u>Fixtures, fittings and equipment £'000</u> | <u>Motor vehicles £'000</u> | <u>Total £'000</u> |
|-----------------|---|--|---|-------------------------------------|------------------------|
| Net book value | | | | | |
| 31st March 1987 | 142 | 507 | 93 | 311 | 1,053 |
| 31st March 1986 | 137 | 439 | 126 | 205 | 907 |

11. Shares in group companies

| | <u>1987 £</u> | <u>1986 £</u> |
|----------------------------|-------------------|-------------------|
| Shares at cost | 865 | 863 |
| Less : amounts written off | (865) | (863) |
| | - | - |

On 11th December 1986 the company acquired 100% of the issued share capital of Triton Aquatherm Limited, for a cash consideration of £2. Triton Aquatherm Limited is a non-trading company incorporated in England which operates principally in the United Kingdom and has a share capital consisting solely of ordinary shares.

The company's other subsidiaries are as follows:

| | <u>Holding</u> | <u>Country of incorporation</u> | <u>Country of operations</u> |
|---|----------------------------|-------------------------------------|----------------------------------|
| Bermuda Showers Limited | 100% £1 ordinary shares | United Kingdom | United Kingdom |
| Florida Plastics Limited (non-trading) | 100% £1 ordinary shares | United Kingdom | United Kingdom |

TRITON PLC AND SUBSIDIARY COMPANIESNOTES TO THE ACCOUNTSFOR THE YEAR ENDED 31st MARCH 1987

(continued)

11. Shares in group companies (continued)

The effect on the results of the group had Bermuda Showers Limited been a subsidiary company throughout the year ended 31st March 1986, after adjusting for intercompany transactions, would have been as follows:

| | <u>1986</u> <u>£'000</u> |
|--|-----------------------------|
| Increase in turnover | 195 |
| Increase in the Profit on ordinary activities before and after taxation | 31 |

The cost of all investments in subsidiary companies has been written off in the individual accounts of the company.

12. Stocks

| | <u>Group</u> | | <u>Company</u> | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | <u>1987</u> <u>£'000</u> | <u>1986</u> <u>£'000</u> | <u>1987</u> <u>£'000</u> | <u>1986</u> <u>£'000</u> |
| Raw materials, consumables and work in progress | 727 | 609 | 727 | 609 |
| Finished goods and goods for resale | 585 | 368 | 585 | 345 |
| | <u>1,312</u> | <u>977</u> | <u>1,312</u> | <u>954</u> |

13. Debtors

| | <u>Group</u> | | <u>Company</u> | |
|---------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | <u>1987</u> <u>£'000</u> | <u>1986</u> <u>£'000</u> | <u>1987</u> <u>£'000</u> | <u>1986</u> <u>£'000</u> |
| Trade debtors | 1,567 | 1,344 | 1,515 | 1,290 |
| Amounts owed by group companies | - | - | 46 | 66 |
| Other debtors | 32 | 26 | 31 | 25 |
| Prepayments and accrued income | 102 | 62 | 102 | 61 |
| | <u>1,701</u> | <u>1,432</u> | <u>1,694</u> | <u>1,442</u> |

TRITON PLC AND SUBSIDIARY COMPANIESNOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 1987
(continued)

14. Net investment in finance leases and hire purchase contracts

| | <u>Group</u> | | <u>Company</u> | |
|--------------------------------|--------------|--------------|----------------|--------------|
| | <u>1987</u> | <u>1986</u> | <u>1987</u> | <u>1986</u> |
| | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> |
| Net investment in: | | | | |
| Finance leases | 299 | 638 | 299 | 638 |
| Hire purchase contracts | - | 1 | - | 1 |
| | <u>299</u> | <u>639</u> | <u>299</u> | <u>639</u> |
| Included in the above balances | | | | |
| is £135,000 (1986 : £311,000) | | | | |
| which falls due after more | | | | |
| than one year. | | | | |
| Costs of assets acquired for | | | | |
| the purpose of letting under: | | | | |
| Finance leases | 827 | 1,275 | 827 | 1,275 |
| Hire purchase contracts | - | 5 | - | 5 |
| | <u>827</u> | <u>1,280</u> | <u>827</u> | <u>1,280</u> |
| Accumulated depreciation | | | | |
| thereon | <u>528</u> | <u>641</u> | <u>528</u> | <u>641</u> |

15. Creditors : amounts falling due within one year

| | <u>Group</u> | | <u>Company</u> | |
|------------------------------|--------------|--------------|----------------|--------------|
| | <u>1987</u> | <u>1986</u> | <u>1987</u> | <u>1986</u> |
| | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> |
| Bank loans and overdrafts | - | 20 | - | - |
| Trade creditors | 1,310 | 1,122 | 1,309 | 1,110 |
| Other creditors including | | | | |
| taxation and social security | 1,633 | 1,664 | 1,628 | 1,655 |
| Accruals and deferred income | 677 | 539 | 660 | 537 |
| | <u>3,620</u> | <u>3,345</u> | <u>3,597</u> | <u>3,302</u> |

TRITON PLC AND SUBSIDIARY COMPANIESNOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 1987
(continued)

15. Creditors : amounts falling due within one year (continued)

| | <u>Group</u> | | <u>Company</u> | |
|---|--------------|--------------|----------------|--------------|
| | <u>1987</u> | <u>1986</u> | <u>1987</u> | <u>1986</u> |
| | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> |
| Other creditors including taxation and social security comprises: | | | | |
| Corporation tax | 580 | 971 | 579 | 971 |
| Advance corporation tax | 572 | 129 | 572 | 129 |
| Other taxes | 188 | 201 | 184 | 199 |
| Social security | 166 | 37 | 166 | 36 |
| Taxation and social security | 1,506 | 1,338 | 1,501 | 1,335 |
| Hire purchase creditors due within one year | 127 | 326 | 127 | 320 |
| | <u>1,633</u> | <u>1,664</u> | <u>1,628</u> | <u>1,655</u> |

16. Creditors : amounts falling due after more than one year

| | <u>Group</u> | | <u>Company</u> | |
|--|--------------|--------------|----------------|--------------|
| | <u>1987</u> | <u>1986</u> | <u>1987</u> | <u>1986</u> |
| | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> |
| Hire purchase creditors payable within two to five years | 25 | 154 | 25 | 154 |

Hire purchase liabilities are payable by instalments.

17. Provisions for liabilities and charges

The total potential liability and the actual provision for deferred taxation at 31st March 1987, calculated on the liability method at 35%, is as follows:

| <u>Group and company</u> | <u>Deferred taxation</u> <u>£'000</u> |
|--|--|
| Balance at 1st April 1986 | 269 |
| Transferred to profit and loss account during current year | (168) |
| Balance at 31st March 1987 | <u>101</u> |

TRITON PLC AND SUBSIDIARY COMPANIES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 1987
(continued)

18. Share capital

| | <u>1987</u> | <u>1986</u> |
|--|--------------|--------------|
| | <u>£'000</u> | <u>£'000</u> |
| Authorised: | | |
| 50,000 (1986: 5,000) ordinary shares of £1 each | 50 | 5 |
| 1,000 3% non-cumulative preference shares of £1 each | <u>1</u> | <u>1</u> |
| | <u>51</u> | <u>6</u> |
| Alotted, called up and fully paid: | | |
| 50,000 (1986: 5,000) ordinary shares of £1 each | 50 | 5 |
| 1,000 3% non-cumulative preference shares of £1 each | <u>1</u> | <u>1</u> |
| | <u>51</u> | <u>6</u> |

On 22nd May 1986 the authorised share capital of the company was increased to £51,000 by the creation of 45,000 ordinary shares of £1 each, these shares being issued as fully paid to members by way of a capitalisation of reserves.

19. Prior year adjustment

The 1986 prior year adjustment was made to correct an error in the calculation of the deferred taxation provision at 31st March 1985 which led to the provision at that date being overstated by £62,000.

20. Capital commitments

Capital commitments at 31st March 1987, for which no provision has been made in these accounts, were as follows:

| | <u>Group</u> | | <u>Company</u> | |
|-------------------------------|--------------|--------------|----------------|--------------|
| | <u>1987</u> | <u>1986</u> | <u>1987</u> | <u>1986</u> |
| | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> | <u>£'000</u> |
| Contracted | 65 | 26 | 65 | 26 |
| Authorised but not contracted | <u>1</u> | <u>-</u> | <u>1</u> | <u>-</u> |

TRITON PLC AND SUBSIDIARY COMPANIESNOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st MARCH 1987
(continued)

21. Directors' interests in contracts

Mr. I.R. Steel is chairman and controlling shareholder of Instaflow (Showers and Bathrooms) Limited ("Instaflow"). Instaflow was a customer of the company until it ceased trading. Trade with Instaflow was carried out on an arms length basis. During the year ended 31st March 1987 sales to Instaflow amounted to £46,000 (1986: £108,000) and purchases from Instaflow amounted to £25,000 (1986: £38,000).