

Company Registration No: 1211050

TRITON PLC

Financial Statements

31st March 2001



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TRITON PLC

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31st MARCH 2001

The directors present their report and the audited financial statements for the year ended 31st March 2001.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

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

Sales growth, together with effective cost control enabled the company to increase operating profit in the year. It is expected that the current level of operating activities will continue for the foreseeable future.

RESULTS AND DIVIDENDS

	2001	2000
	£000s	£000s
The profit for the year after taxation amounts to	8,833	8,929
On the profits for the year, dividends paid and proposed of	(9,500)	(9,000)
Transfer from reserves of	<u>(667)</u>	<u>(71)</u>

TAXATION

Norcros Ltd 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.

DIRECTORS

The following served as directors throughout the year, unless otherwise stated:

Mr J Matthews (Chairman)
Ms L Fellowes
Mr T E Applegate
Mr J P Davies
Mr D W Hamilton (appointed 12th June 2001)
Mr R W Hodgkinson (resigned 4th January 2001)
Mr N P Kelsall (appointed 12th June 2001)
Mr J B McCarthy
Mr R S Taylor

DIRECTORS' INTERESTS

Mr J Matthews, Mr D W Hamilton and Mr N P Kelsall are directors of the Company's ultimate parent company, Norcros (Holdings) Ltd, and therefore their interests in the shares of Norcros (Holdings) Ltd are disclosed in the financial statements of Norcros (Holdings) Ltd.

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

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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 (Holdings) Ltd, 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. The Company was awarded Investors in People by Coventry Training and Enterprise Council in 1994 and this was reconfirmed in March 1997 and March 2000.

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.

CREDITOR PAYMENT POLICY

The Company's current policy concerning payments to suppliers of goods and services is to pay in accordance with agreed terms and its practice is to adhere to those terms. The amount of trade creditors shown in the balance sheet at 31st March 2001 represents 63 days of average daily purchases.

COMPANY STATUS

On 26th May 2000, the Company re-registered as a public limited company.

EUROPEAN MONETARY UNION

A programme is now substantially complete in respect of issues arising from the introduction of European Monetary Union. It is estimated that costs in relation to this will not be material.

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AUDITORS

A resolution to reappoint PricewaterhouseCoopers as auditors to the Company will be proposed at the Annual General Meeting.

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. 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 are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of 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.

BY ORDER OF THE BOARD



Triton Plc
J B McCarthy
Secretary
28th June 2001

TRITON PLC

REPORT OF THE AUDITORS

To the members of TRITON Plc.

We have audited the financial statements on pages 5 to 13.

Respective Responsibilities of Directors and Auditors

The directors are responsible for preparing the Annual Report. As described on page 3, this includes responsibility for preparing the financial statements, in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and 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 United Kingdom 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 is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

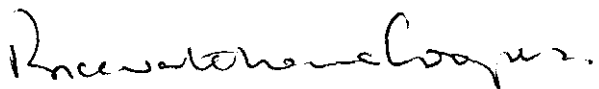
Basis of Audit Opinion

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 at 31 March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers

Chartered Accountants and Registered Auditors

Birmingham

28th June 2001

TRITON PLC

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31st MARCH 2001**

	Notes	2001 £000s	2000 £000s
TURNOVER	2	<u>45,509</u>	<u>44,420</u>
Operating Profit	3	8,714	8,671
Net Interest	4	<u>119</u>	<u>258</u>
Profit on ordinary activities before taxation	5	8,833	8,929
Taxation	7	<u>-</u>	<u>-</u>
Profit on Ordinary Activities after Taxation		8,833	8,929
Dividends	8	(9,500)	(9,000)
TRANSFER FROM RESERVES	17	<u>(667)</u>	<u>(71)</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 profits for the year stated above and their historical cost equivalents.

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

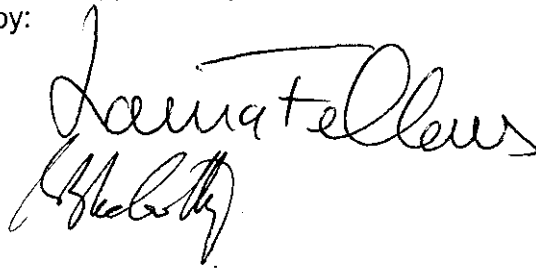
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BALANCE SHEET AS AT 31st MARCH 2001

	Notes	2001 £000s	2000 £000s
FIXED ASSETS			
Tangible Assets	9	4,611	4,490
Investments	10	<u>2,468</u>	<u>2,468</u>
		<u>7,079</u>	<u>6,958</u>
CURRENT ASSETS			
Stocks	12	3,036	2,542
Debtors - due after one year	13	4,632	4,748
- due within one year	13	6,793	6,986
Cash at bank and in hand		<u>4,457</u>	<u>9,967</u>
		<u>18,918</u>	<u>24,243</u>
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	14	<u>(16,973)</u>	<u>(21,765)</u>
NET CURRENT ASSETS		<u>1,945</u>	<u>2,478</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,024	9,436
Creditors:			
Amounts falling due after more than one year	14	(4,840)	(4,585)
		<u>4,184</u>	<u>4,851</u>
Financed by:			
CAPITAL AND RESERVES			
Called up Share Capital	15	57	57
Share Premium Account	17	2,462	2,462
Profit and Loss Account	17	<u>1,665</u>	<u>2,332</u>
EQUITY SHAREHOLDERS' FUNDS		<u>4,184</u>	<u>4,851</u>

The financial statements on pages 5 to 13 were approved by the board of directors on 28th June 2001 and were signed on its behalf by:

L Fellowes)
) Directors
 J B McCarthy)



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2001**

1. STATEMENT OF ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared on the historical cost basis of accounting, the accounting policies set out below and in accordance with applicable Accounting Standards in the United Kingdom.

Accounting Reference Date

All figures have been made up to Sunday, 1st April 2001.

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.

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.

Depreciation

FRS 15, 'Tangible Fixed Assets', has been adopted in these financial statements.

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 buildings are 4% and 5%, plant and other equipment are between 10% and 33% and computer equipment between 20% and 33%.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2001 continued

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.

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. These contributions are invested separately from the Group's assets. Pension costs have been calculated in accordance with SSAP24.

Cash Flow Statement

The Company has not published a cash flow statement as it is a wholly owned subsidiary of Norcros (Holdings) Ltd, which produces a consolidated cash flow statement.

2. TURNOVER

	2001 £000s	2000 £000s
United Kingdom	38,386	37,440
Overseas	7,123	6,980
	<u>45,509</u>	<u>44,420</u>

The company's activities consist solely of the manufacture and sale of showers and related services and bathroom accessories.

3. OPERATING PROFIT

	2001 £000s	2000 £000s
TURNOVER	45,509	44,420
Cost of Sales	<u>(25,676)</u>	<u>(24,275)</u>
GROSS PROFIT	19,833	20,145
Distribution, Marketing and Sales Costs	(6,508)	(6,631)
Administration Expenses	(3,396)	(3,488)
Research and Development Costs	(920)	(1,355)
Write off of debts due from fellow group undertaking	<u>(295)</u>	<u>-</u>
OPERATING PROFIT	<u>8,714</u>	<u>8,671</u>

4. NET INTEREST

	2001 £000s	2000 £000s
Cash at bank, less overdrafts and other loans:		
Interest receivable - Bank	119	258
- Fellow Group Undertakings	315	266
Less: Repayable within 5 years, not by instalments		-
- Immediate Parent Company	<u>(315)</u>	<u>(266)</u>
	<u>119</u>	<u>258</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2001 continued

5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2001 £000s	2000 £000s
Profit on ordinary activities before taxation is stated after crediting:		
Rent receivable	57	40
Profit arising on sale of fixed assets	26	29
and after charging:		
Depreciation of tangible fixed assets	(1,213)	(1,261)
Research and development costs	(920)	(1,355)
Auditors' remuneration (including expenses) for:		
Audit	(24)	(23)
Other	(1)	(2)
Hire of plant and machinery	-	(4)
Operating lease rentals:		
Property	(514)	(528)
Equipment	(422)	(434)
Write off of debts due from fellow group undertaking	(295)	-

6. DIRECTORS AND EMPLOYEES

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

	2001 Number	2000 Number
Management and Administration	36	36
Production, Research and Development	238	230
Sales, Marketing and Service	200	194
	<u>474</u>	<u>460</u>

	2001 £000s	2000 £000s
Staff costs (for the above persons):		
Wages and Salaries	7,618	7,681
Social Security costs	591	586
Other Pensions costs	287	245
	<u>8,496</u>	<u>8,512</u>

	2001 £000s	2000 £000s
Directors:		
Aggregate Emoluments	406	456
Company pension contributions to money purchase schemes	19	14

Retirement benefits accrued to one director (2000 – one director) under a money purchase pension scheme and to four directors (2000 – four directors) under a defined benefit scheme.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2001 continued

6. DIRECTORS AND EMPLOYEES continued

Highest Paid Director	2001 £000s	2000 £000s
Aggregate emoluments	112	124
Company pension contributions to money purchase scheme	19	14

7. 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 Ltd.

8. DIVIDENDS

	2001 £000s	2000 £000s
Dividends on ordinary shares:		
Interim of £78.95 per share (2000 £ nil)	4,500	-
Final proposed of £87.72 per share (2000 £157.89)	5,000	9,000
	<u>9,500</u>	<u>9,000</u>

9. TANGIBLE FIXED ASSETS

	Short Leasehold Buildings £000s	Plant, Machinery & Equipment £000s	Total £000s
Cost			
At 1st April 2000	950	11,347	12,297
Additions	-	1,334	1,334
Disposals	-	(578)	(578)
At 31st March 2001	<u>950</u>	<u>12,103</u>	<u>13,053</u>
Depreciation			
At 1st April 2000	175	7,632	7,807
Charge for the year	46	1,167	1,213
Eliminated in respect of disposals	-	(578)	(578)
At 31st March 2001	<u>221</u>	<u>8,221</u>	<u>8,442</u>
Net Book Value			
At 31st March 2001	<u>729</u>	<u>3,882</u>	<u>4,611</u>
At 31st March 2000	<u>775</u>	<u>3,715</u>	<u>4,490</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2001 continued

10. SHARES IN GROUP COMPANIES

	2001 £000s	2000 £000s
Shares at cost	2,469	2,469
Less: Amounts written off	(1)	(1)
	<u>2,468</u>	<u>2,468</u>

The Company's subsidiaries, all of which are registered in England, 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 Ltd.

The Company has not prepared consolidated financial statements since it is a wholly owned subsidiary of Norcross (Holdings) Ltd, a company registered in England, which produces consolidated financial statements.

11. FUTURE COMMITMENTS

Capital

	2001 £000s	2000 £000s
Capital expenditure that has been contracted for but has not been provided for in the financial statements	85	-
Capital expenditure that has been authorised by the directors but has not yet been contracted for	-	893

Contingent Liability

The company has a contingent liability of £100,000 in respect of letters of credit that have been issued and yet to be presented.

Revenue

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

	2001 Property £000s	2001 Equipment £000s	2000 Property £000s	2000 Equipment £000s
Within one year	-	55	-	79
Two to five years	12	250	12	276
Over five years	502	6	502	-
	<u>514</u>	<u>311</u>	<u>514</u>	<u>355</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2001 continued

12. STOCKS

	2001 £000s	2000 £000s
Stocks comprise:		
Raw materials and consumables	1,439	1,352
Work-in-progress	15	15
Finished goods	<u>1,582</u>	<u>1,175</u>
	<u>3,036</u>	<u>2,542</u>

13. DEBTORS

	2001 £000s	2000 £000s
Amounts falling due within one year:		
Trade debtors	5,789	5,926
Amounts due from fellow group undertakings	500	443
Other debtors	187	393
Prepayments and accrued income	<u>317</u>	<u>224</u>
	<u>6,793</u>	<u>6,986</u>
Amounts falling due after one year:		
Amounts due from fellow group undertakings	<u>4,632</u>	<u>4,748</u>

14. CREDITORS

	2001 £000s	2000 £000s
Amounts falling due within one year:		
Trade creditors	5,076	5,889
Amounts owed to immediate parent company	491	201
Amounts owed to fellow group undertakings	2,524	2,505
Dividends payable	5,000	9,000
Other taxation and social security payable	519	377
Accruals and other creditors	<u>3,363</u>	<u>3,793</u>
	<u>16,973</u>	<u>21,765</u>
Amounts falling due after more than one year:		
Amount owed to immediate parent company	<u>4,840</u>	<u>4,585</u>

15. CALLED UP SHARE CAPITAL

	2001 £000s	2000 £000s
Authorised:		
61,000 ordinary shares of £1 each	<u>61</u>	<u>61</u>
Allotted, called up and fully paid:		
57,000 ordinary shares of £1 each	<u>57</u>	<u>57</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2001 continued**

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001 £000s	2000 £000s
Opening shareholders' funds	4,851	4,922
Retained Loss for the year	(667)	(71)
Closing shareholders' funds	<u>4,184</u>	<u>4,851</u>

17. RESERVES

	Share premium account £000s	Profit and loss Account £000s
At 1st April 2000	2,462	2,332
Retained loss for the year	-	(667)
At 31st March 2001	<u>2,462</u>	<u>1,665</u>

18. 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 31st March 2001 are at a rate of 8% of pensionable earnings. Details of the latest actuarial valuation can be found in the financial statements of Norcros (Holdings) Ltd.

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

	£000s
Employer contribution's charged in the year were:	
Defined Benefit Scheme	224
Defined Contribution Scheme	64

19. GUARANTEES

The Company has entered into a guarantee and debenture which effectively means that all of its assets, property or otherwise, and undertakings are charged in favour of the security agent acting on behalf of the lending banks to the Company's ultimate holding company, Norcros (Holdings) Limited.

20. RELATED PARTY TRANSACTIONS

The Company has not disclosed transactions with fellow Group companies, where the Group shareholding is 90% or more, in accordance with the exemption under the terms of Financial Reporting Standard No.8.

21. ULTIMATE PARENT COMPANY

The Company's ultimate parent Company and ultimate controlling party is Norcros (Holdings) Ltd, a company incorporated in Great Britain and registered in England. A copy of Norcros (Holdings) Ltd accounts may be obtained from Companies House, Maindy, Cardiff. The company's immediate holding company is Norcros Ltd.