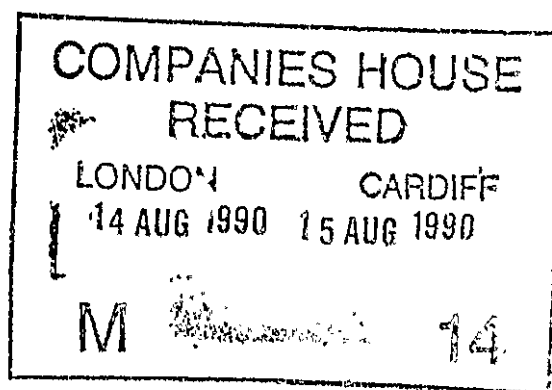


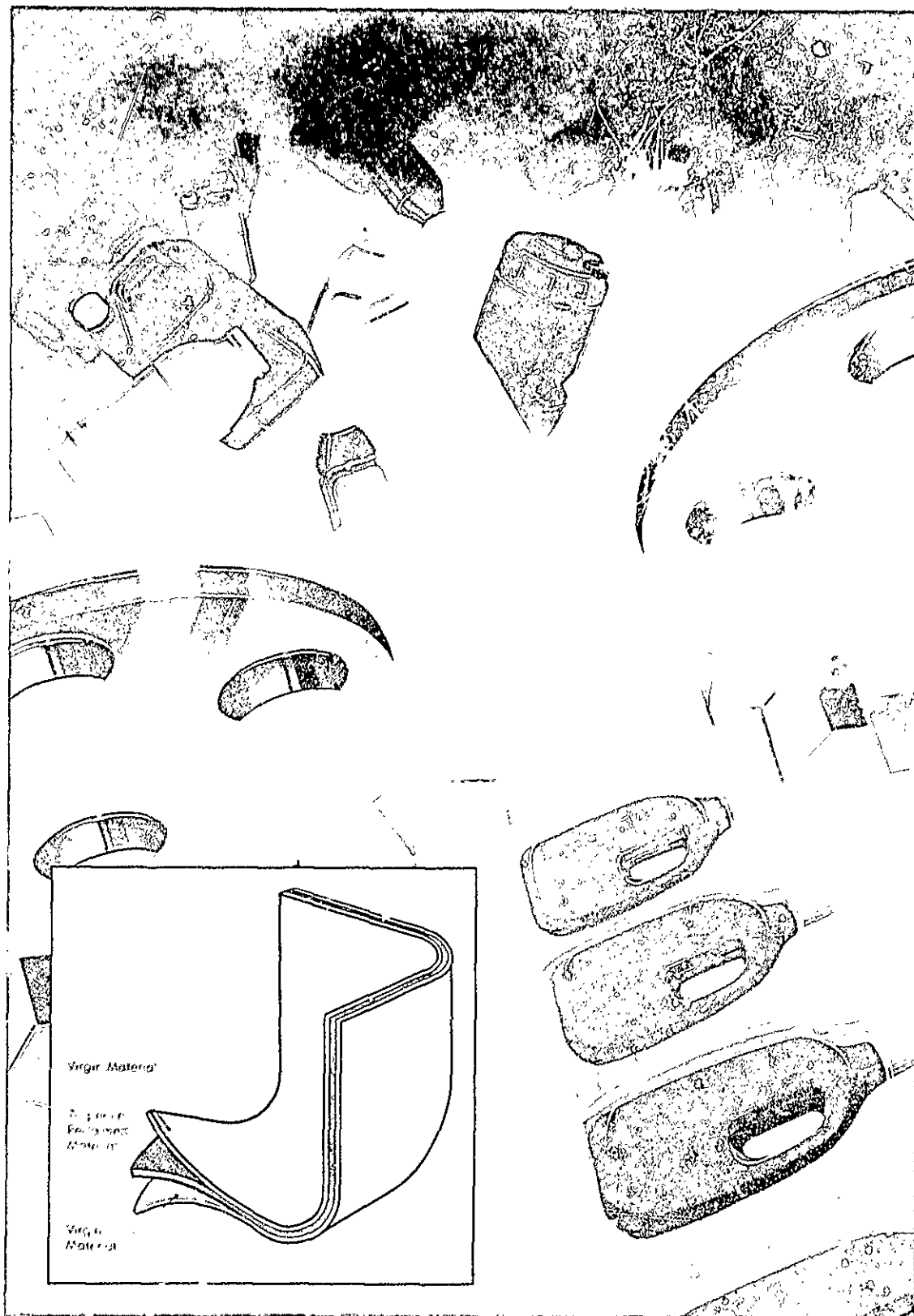
REPORT & ACCOUNTS

1990

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RECYCLING PLASTICS MATERIALS  
 THE MULTILAYER CONCEPT IS NOW IN PRODUCTION  
 USING RECLAIMED MATERIAL AS PART OF THE  
 STRUCTURE OF THE BOTTLE

## CHAIRMAN'S STATEMENT

For the first time in many years our 1989/90 profits were down on those of the previous year. The reasons are detailed in the Managing Director's review. I am much encouraged by the way we rallied during the last few months of the year and I am happy to say this improvement is being maintained.

The Housewares revival resulted in no small measure from the introduction of new products and over the past few months our garden range in particular has been very well received. Until the economic situation improves most of our growth will come at the expense of competitors but any improvement in the High Street will bring a sizeable bonus. We are enjoying the much improved production resources of our new purpose built factory and warehouse which came into full use halfway through last year.

The additional capacity by way of new factories and production machinery introduced over the past few years to meet the anticipated demand for containers is still to be utilised to its full extent. The Multiguard development has been slower than anticipated but multilayer technology remains a cornerstone for the future and we are already producing three-

layer bottles including up to 70% of reclaimed material as the middle layer. We are leaders in this field and intend to remain so.

Although we are still suffering a reduced demand for consumer packs, particularly those associated with the DIY market, some of our larger containers are selling well and the market for lightweight milk bottles continues to grow. We are now making six pint bottles in addition to the established two- and four-pint containers.

Supplies of high density polyethylene, our main raw material, remain adequate and at present there is no sign of the upward price spiral we suffered in 1988.

The performance of Plysu Industrial which manufactures specialised protective clothing was similar to last year. We are making a special effort to promote this activity by introducing new machinery and improved production methods. We are also exploring wider markets and feel there is now room for modest expansion.

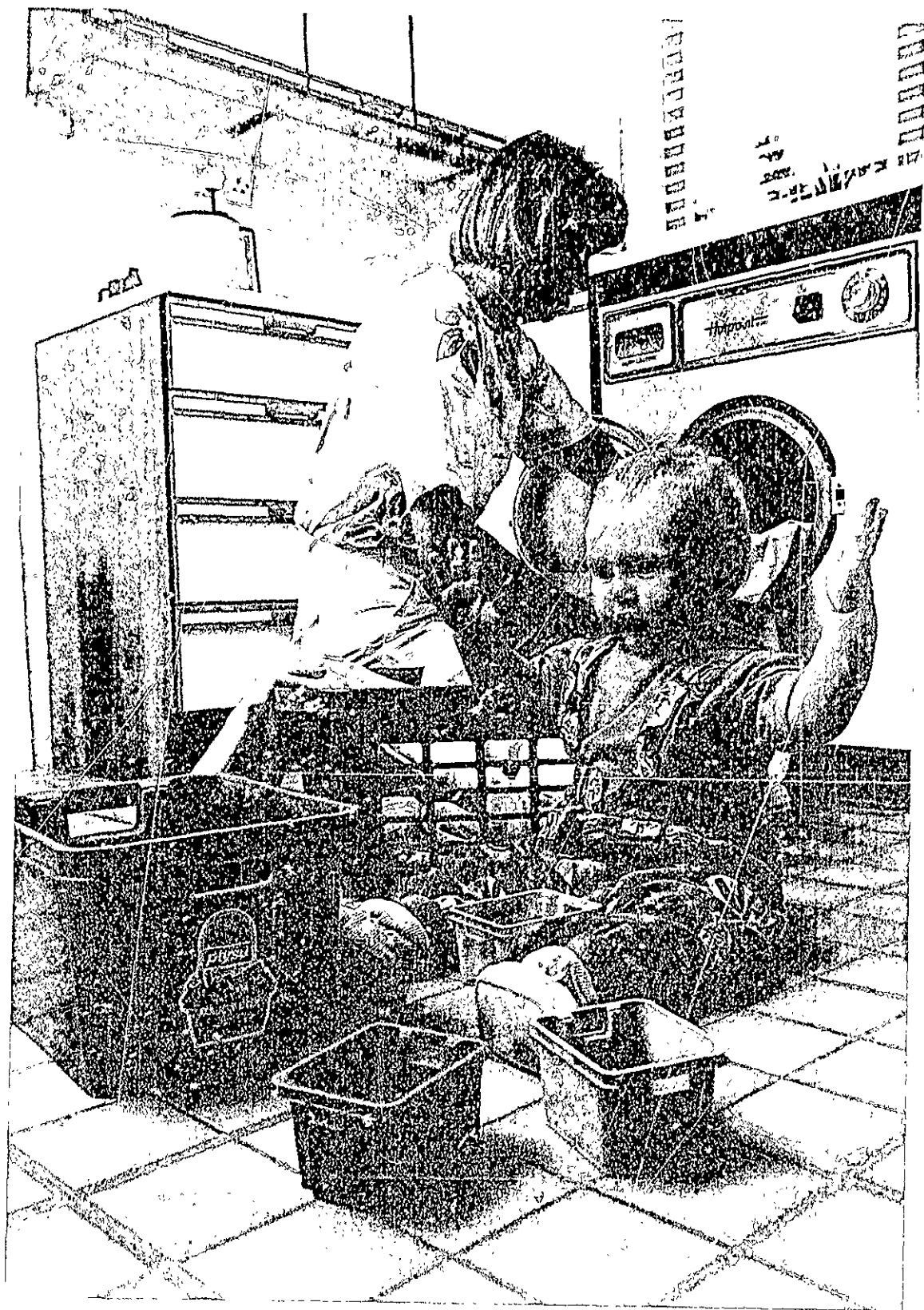
Progress in Europe is particularly encouraging after several years of effort and frustration. Plysu BV in Amsterdam is becoming

increasingly profitable and one of our main concerns at this stage is to ensure adequate machine capacity is available as required. We still have factory space to spare although further territorial expansion in Europe cannot be ruled out.

Once more I must record my appreciation of the support we have received at all levels from those who work for Plysu both in the UK and in Holland. In particular there has been wholehearted co-operation in bringing our new factories into production although this has involved changes in working practices and in many cases people have had to move from Woburn Sands to one of the new sites. I believe we shall all profit from our efforts of the past year.

Brian Lewis will be retiring at the AGM having reached the age of 65. Brian has been associated with Plysu for many years, initially as a director of Robert Fleming Holdings where he took a personal interest in our activities and later as a non-executive director of the company. We shall all miss him very much.

C.S.J. SUMMERLIN  
*Chairman*  
30th May 1990



NEW HOUSEWARES PROGRAM  
 FEATURES ARE SOME OF THE ADDITIONS TO THE KITCHEN  
 INCLUDING THE RECTANGULAR PLASTIC CONTAINERS AND THE  
 SMALLER SIZE OF KITCHEN

## MANAGING DIRECTOR'S REVIEW

The financial year ended 31st March 1990 was difficult with group profits before tax for the year falling 19% from last year's record level.

The sharp slow down in activities which started in January 1989 and had such an impact on the results for the 53 weeks to March 1989 continued throughout that calendar year, it was not until towards the end of the financial year to March 1990 that there were any signs of improvement. These conditions led to group sales increasing by only 7% in value and rather less in volume.

Profits before tax had fallen 27% at the interim stage but the drop was limited to 9% in the second half of the year as a result of improved product mix and better production efficiencies. Nonetheless turnover for the whole year still fell short of that required to properly use the additional facilities installed at a cost of some £30m during the last three years. The cost of monies borrowed to finance about one third of that expansion, the depreciation charge on the under utilised new capacity and the cost of reorganisation and move of our Housewares operation to the new factory at Bedford combined to make a significant dent in our margins for last year.

In spite of all we have generated £10.5m from operations, just £0.5m less than the previous year, and with capital expenditure tailing off to £4.5m we have been able to reduce our borrowings by

£1.3m, to £9.4m, compared with shareholders funds of £29m. The reduction in capital expenditure is also a factor behind the increase of the tax charge towards former levels resulting in a drop in earnings per share to 8.6p against last year's record level of 11.5p.

Your Board does now feel that the worst is behind it, as experience shows that whilst the group is normally on the front end of the cycle of decline in time of national economic difficulties it is also in the forefront of a recovery. With this in mind your directors have decided to maintain their policy of making significant increases in the dividend. This year the total of dividends paid and proposed is 3.5p per share, up 23% on the 2.85p for 1989, with the cover falling from 4 to nearly 2.5 times.

### Containers

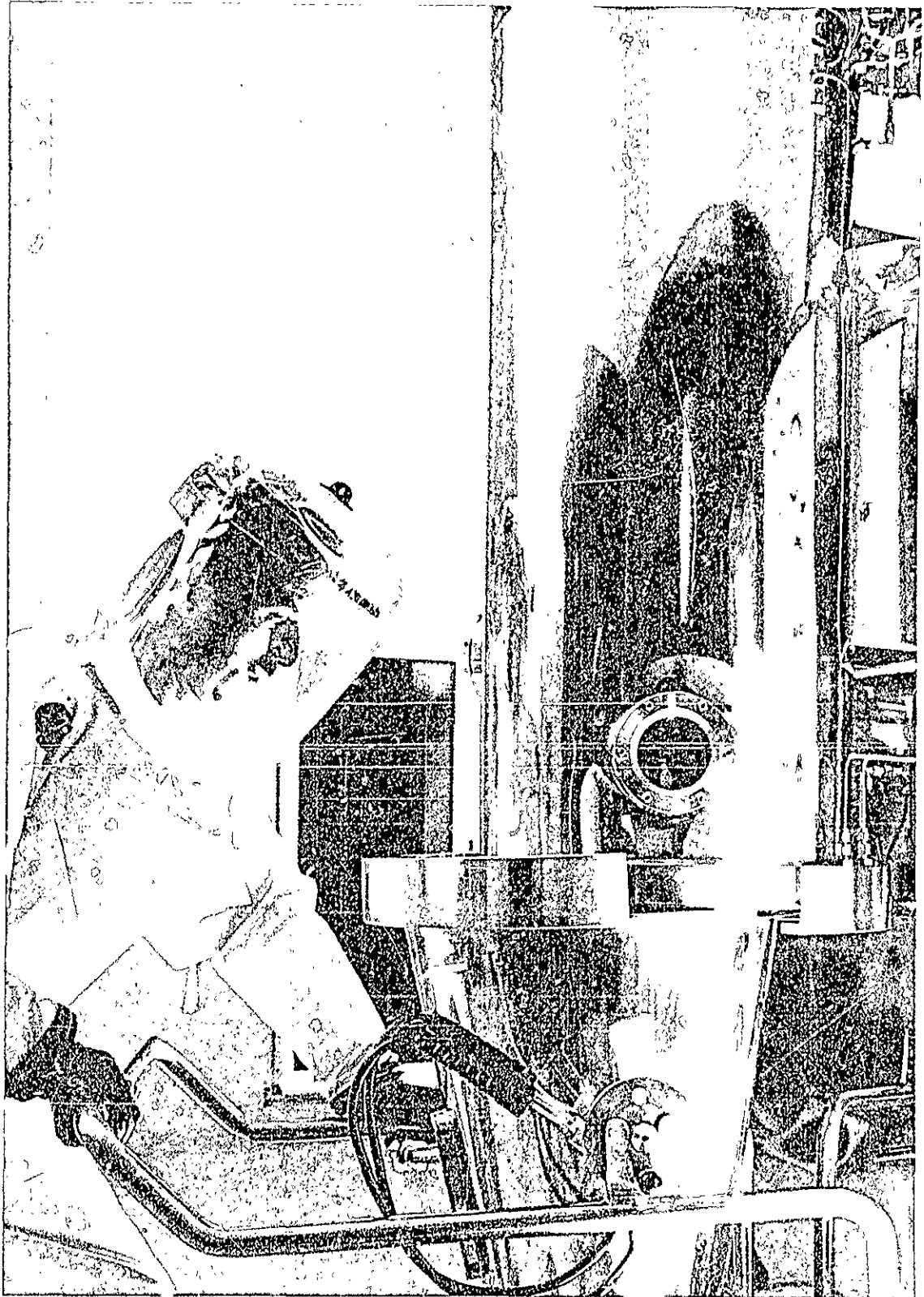
The major activity of the group is the manufacture of blow moulded polyethylene containers, accounting for over 80% of total sales. Capacities range from 250ml to 25l in the UK and up to 210l in Holland. As was to be expected in the circumstances there was little growth in UK container sales but there were interesting changes within the overall figure. There was little positive and even some negative growth in the more mature markets and we have had another year of disappointing progress with our Multiguard co-extruded range of bottles which resulted in under-utilisation of that capacity. In sharp contrast however we have seen continuing growth in our

business with the dairy industry as the sale of milk in bulk packs by supermarkets takes an increasing share of the milk market.

There has been far greater stability in the market for high density polyethylene this year although the price still remains high relative to a couple of years ago. Availability has eased during the year and should improve further over the next couple of years as the various capacity increases are brought on stream by a number of manufacturers. We should then be able to capitalise better on our buying power.

We are particularly pleased at the way in which our northern plant at Littleborough has established itself as an efficient production unit, fully pulling its weight within the group. Newport Pagnell has been running for only eighteen months and still has a little way to go although the concentration of our milk container manufacturing activity there to cover demand in the south will speed that process.

Our plant in Holland has undergone a complete transformation during the financial year. The rebuilding of the older half of the factory completed in May 1989 has been a great success and the subsequent reorganisation of our bottle blowing activities has dramatically improved our efficiency and competitiveness. We are enjoying a much more satisfactory rate of growth there against the background of the



PROTECTIVE CLOTHING  
A FULL INSULATION SUIT MANUFACTURED BY PLYMOUTH  
INDUSTRIAL IS USED AT EVANS MEMORIAL LABORATORIES  
FOR HANDLING OF RADIOACTIVES

## MANAGING DIRECTOR'S REVIEW

*Continued*

more buoyant economies of mainland Europe. A significant part of the capital expenditure for the year was made in Holland and that situation will be repeated this year.

### **Housewares**

Sales of our ranges of blow moulded and injection moulded Housewares products remained static at last year's record levels in spite of the extremely difficult conditions prevailing in the retail sector. This success can mainly be attributed to the introduction of new products and new colours and to the fact that our Housewares customer base was moved further in favour of the larger retail units.

Service, quality and product range remain of paramount importance in the Housewares business and there is absolutely no doubt that our investment in

the new factory and warehouse for Housewares has already paid handsome dividends as far as the service element is concerned. We would not have managed the higher output levels achieved at the end of the financial year and into the current year out of the old facilities.

The move of the production unit and stocks in the early part of the year was both costly and disruptive. There is also the penalty of a higher cost base with the enlarged unit but without that extra capacity we would not be able to move ahead as the retail climate improves.

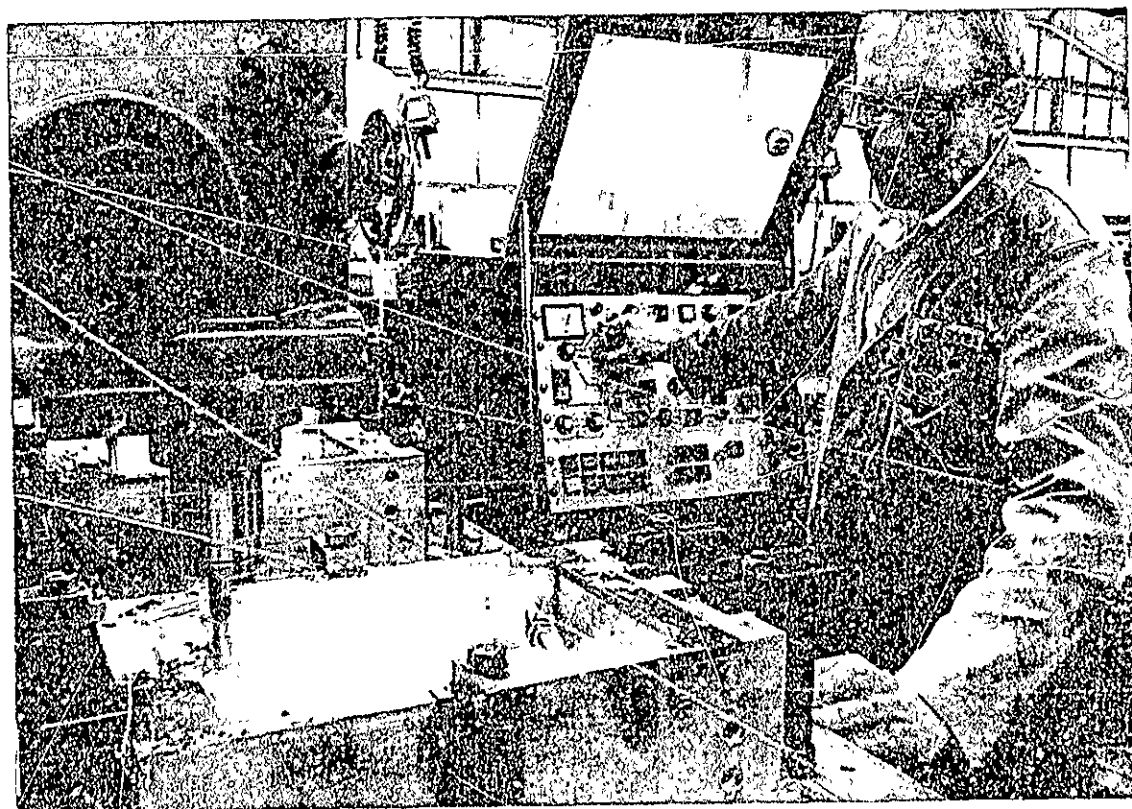
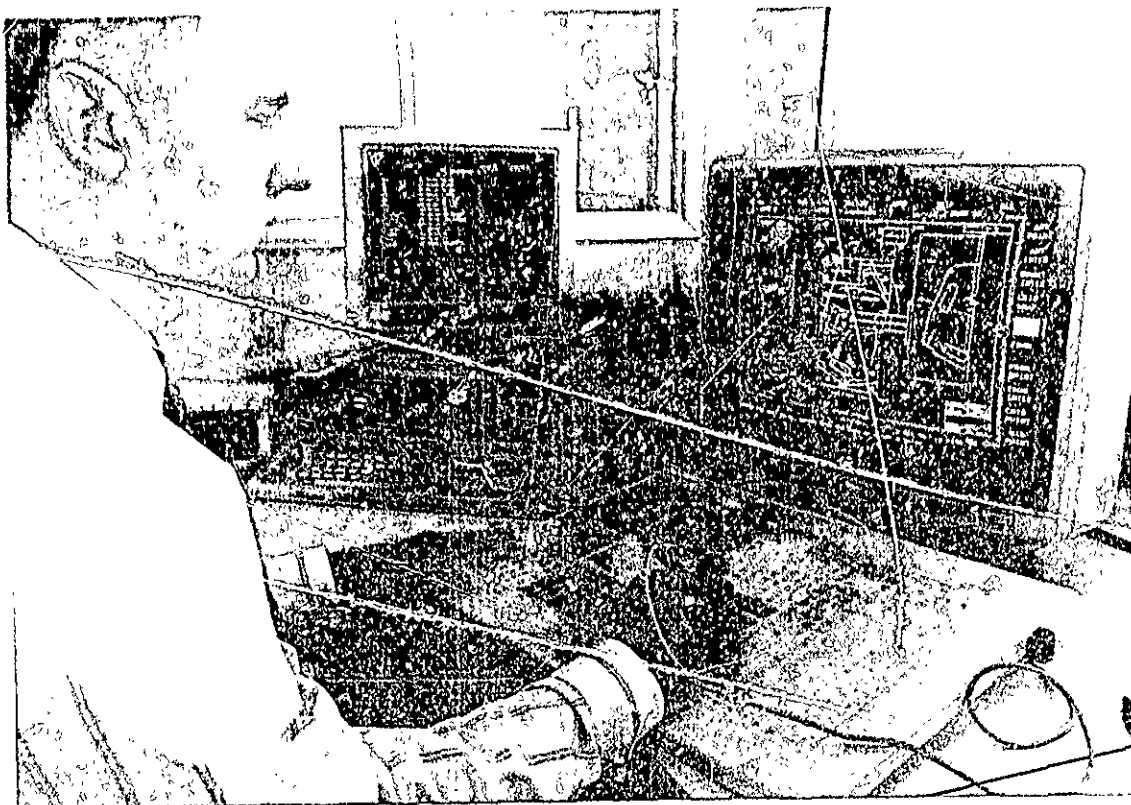
A great deal has been achieved at the new factory in the months that it has been fully operational and we look forward to a much more settled period during which we may start to enjoy the fruits of our expansion.

### **Industrial**

This is the smallest of our activities involving the manufacture of very specialised protective clothing by the high frequency welding of PVC sheeting. This type of clothing is often for use in hostile environments when the wearer needs an independent air supply as well as other protection. This clothing is commonly to be seen in such places as laboratories and nuclear establishments.

The level of activity has been somewhat hampered during the year by the establishment of new health and safety regulations affecting the use of this Company's products, but even so it maintained the progress made during the previous 53 weeks.

**RICHARD GORDON**  
*Managing director*  
30th May 1990



THE DESIGN AND MANUFACTURE OF THE M-100 ARE MADE POSSIBLE BY THE ADVANCEMENT OF ELECTRONIC AND MECHANICAL TECHNOLOGY. THE M-100 WORKS AS A COMPLETE SYSTEM FOR THE DETECTION OF AIRCRAFT MAKING A MORE EFFECTIVE SEARCH FOR AIRCRAFT.

# D I R E C T O R S   A N D   O F F I C E R S

Directors	Age	Year of appointment
Charles Sidney James Summerlin (Non-executive chairman)	71	1945
Richard Edward Gordon C.A. (Managing director)	53	1969
Jonathan Robert Hill BSc(Fng) (Engineering director)	46	1985
Malcolm Valentine Strickland Macintyre CEng (Production director)	47	1982
Stephen Spencer Nobbs FCA (Financial director)	41	1987
Maxwell James Summerlin (Sales director)	45	1982
Alan Bernard Brooker JP DL FCA (Non-executive director)	58	1988
Brian Horace Lewis (Non-executive director)	65	1983

## Secretary

Harry Stephens - Arnold FCA ATII

## Auditors

KPMG Peat Marwick McLintock

## Registered office

120 Station Road,  
Woburn Sands,  
Milton Keynes,  
Bucks MK17 8SE  
(0908) 582311

## Registrars and transfer office

Barclays Registrars Limited,  
Bourne House,  
34 Beckenham Road,  
Beckenham,  
Kent BR3 4TU

A statement of all transactions by each director of the company and his family interests in the ordinary shares of the company during the 12 months prior to the date of this notice will be available for inspection during

normal business hours at the company's registered office until the date of the annual general meeting. This statement will also be available for inspection at The Brewery Conference Centre on the day of the annual general

meeting from 11.45am until the conclusion of the meeting.

There are no service contracts with the directors.

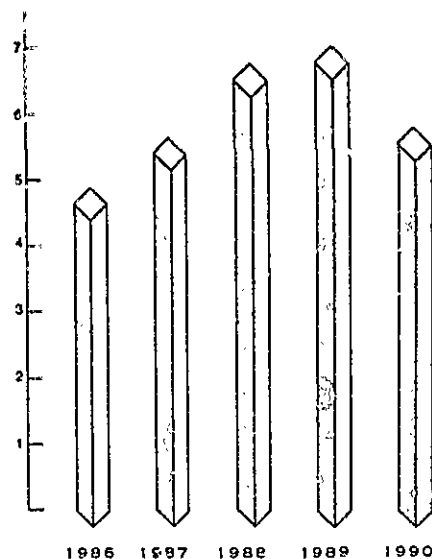
# FIVE-YEAR RECORD

	Years ended 31st March				1990
	1986	1987	1988	1989 (53 weeks)	
	£000	£000	£000	£000	£000
<b>Group turnover</b>					
UK					
Containers	22,720	26,299	34,100	40,823	42,711
Housewares	5,544	5,578	5,691	7,657	7,690
Other	983	1,070	1,409	1,361	1,411
	<u>29,247</u>	<u>32,947</u>	<u>42,200</u>	<u>49,841</u>	<u>51,812</u>
Holland	4,786	4,549	4,635	4,648	6,768
	<u>34,033</u>	<u>37,496</u>	<u>46,835</u>	<u>54,489</u>	<u>58,580</u>
<b>Employee profit share scheme allocation</b>	90	100	145	50	-
	<u>2,244</u>	<u>2,875</u>	<u>3,435</u>	<u>4,181</u>	<u>5,033</u>
<b>Depreciation</b>					
	<u>(223)</u>	<u>(172)</u>	<u>247</u>	<u>854</u>	<u>1,503</u>
<b>Interest payable/(receivable)</b>					
	<u>4,567</u>	<u>5,410</u>	<u>6,511</u>	<u>6,815</u>	<u>5,508</u>
<b>Group profit before tax</b>					
	<u>6,784</u>	<u>8,287</u>	<u>9,675</u>	<u>10,996</u>	<u>10,541</u>
<b>Total funds generated from operations</b>					
	<u>5,112</u>	<u>7,285</u>	<u>12,917</u>	<u>12,163</u>	<u>4,475</u>
<b>Expenditure on fixed assets and moulds</b>					
	<u>6.6p</u>	<u>8.1p</u>	<u>9.9p</u>	<u>11.5p</u>	<u>8.6p</u>
<b>Earnings per share, adjusted for capitalisation issues</b>					
	<u>1.5p</u>	<u>1.83p</u>	<u>2.3p</u>	<u>2.85p</u>	<u>3.5p</u>
<b>Dividend per share, adjusted for capitalisation issues</b>					
	<u>16,697</u>	<u>19,680</u>	<u>22,889</u>	<u>26,553</u>	<u>29,037</u>
<b>Shareholders' funds (being share capital and reserves)</b>					

These figures are taken from financial statements prepared on the historical cost basis.

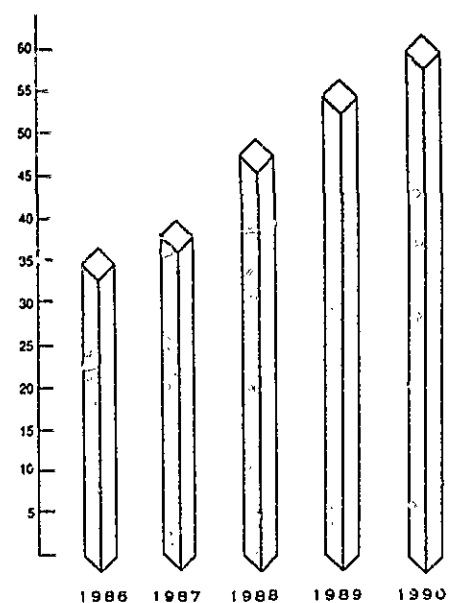
# PROFIT BEFORE TAXATION

£M



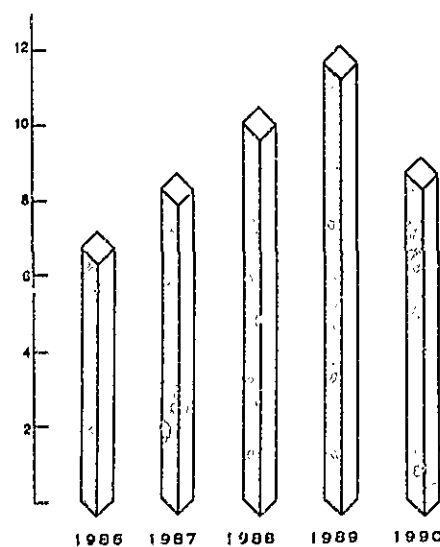
# TURNOVER

£M



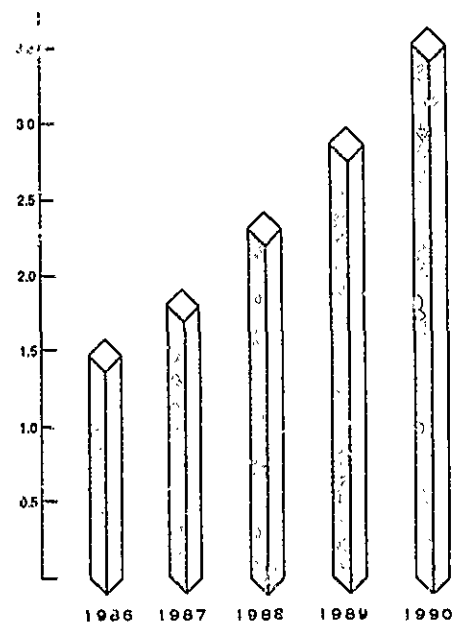
# EARNINGS PER ORDINARY 10P SHARE

PENCE



# DIVIDEND PER ORDINARY 10P SHARE

PENCE



# REPORT OF THE DIRECTORS

The directors present their report together with the financial statements for the year ended 31st March 1990.

## Dividends and group profit

An interim dividend of 1.0p per share was paid on 30th January 1990. A final dividend of 2.5p is proposed to be paid on 19th July 1990 to holders of ordinary shares on the register at the close of business on 15th June 1990. This will result in a total dividend for the year of 3.5p.

Dividends account for £1,517,000 of the profit on ordinary activities after taxation and the remaining £2,220,000 is added to group reserves as retained profit for the year.

## Fixed assets

Information relating to fixed tangible assets is given in note 9 to the financial statements.

The directors are of the opinion that the market value of land and buildings is in excess of the net book value shown in the financial statements.

## Share capital

23,244 ordinary shares were issued to employees under the terms of the Pysu Savings-Related Share Option Scheme.

## Employee share schemes

There are three schemes under which employees may have an interest in the share capital of the company:

### (a) Pysu Employee Profit Share Scheme

The Trustees applied last year's allocation to the scheme in the purchase of 34,398 ordinary shares, bringing the total number of shares now held in trust for employees to 315,766. In view of the fall in profits, no allocation has been made to the scheme this year (1989: £50,000).

### (b) Pysu Savings-Related Share Option Scheme (SAYE Scheme)

During the year the company has granted options to employees under the terms of this Scheme on 75,948 shares exercisable after five or seven years at an option price of 144p each. The total of options granted at 31st March 1990 was on 299,835 shares at option prices between 63.61p and 180p.

### (c) Pysu Executive Share Option Scheme (ESO Scheme)

During the year the company granted options on 60,000 shares at an option price of 148.33p per share. The total of options granted at 31st March 1990 was on 563,400 shares at 148.33p exercisable between 1990 and 1999.

## Earnings per share

The earnings per share on a fully diluted basis are not materially different from the earnings per share on a normal basis.

## Employees

It is the company's policy that disabled people should have the same consideration as others for all job vacancies for which they apply as suitable candidates. Depending on their skills and abilities, the disabled have the same career prospects and opportunities for promotion as other employees.

There is consultation with employees through the works councils which were established for just such purposes in 1980. The councils meet at regular intervals and are normally attended by one or more directors.

## Political and charitable donations

The group made no political donations during the year. Donations to UK charities amounted to £2,000 (1989: £6,000).

# REPORT OF THE DIRECTORS

*Continued*

## Directors

The names of the directors during the year are set out on page 9. Their interests in the

ordinary shares of the company at 31st March 1990 and 30th May 1990 were as follows:

	1990		1989	
	Ordinary shares	Ordinary shares under option	Ordinary shares	Ordinary shares under option
C.S.J. Summerlin	2,934,664	—	2,934,664	—
C.S.J. Summerlin (non-beneficial)	1,075,788	—	1,075,788	—
R.E. Gordon	2,013,459	15,320	2,020,553	12,404
R.E. Gordon (non-beneficial)	862,382	—	862,382	—
J.R. Hill	1,886	63,882	1,886	63,882
M.V.S. Macintyre	6,855	65,774	6,855	65,774
S.S. Nobbs	6,288	65,000	6,288	65,000
M.J. Summerlin	996,379	—	996,379	—
A.B. Brooker	2,000	—	2,000	—
B.H. Lewis	3,600	—	3,600	—

A.B. Brooker is a former chairman and chief executive of Extel Group Plc. He is chairman of Kode International Plc and of Serif Cowells Plc and vice-chairman of Provident Financial Group Plc.

B.H. Lewis is a former director of Robert Fleming Holdings Limited and of Low and Bonar Plc. He is not seeking re-election.

Interests of 5% or more in the share capital as notified to the company at 30th May 1990

	1990	1989
Barclaytrust Channel Islands Limited	965,250 (9.2%)	965,250 (9.2%)
Scottish Amicable Investment Managers Limited	3,068,682 (7.1%)	2,766,914 (6.4%)
Prudential Portfolio Managers Limited	3,373,851 (7.8%)	2,770,991 (6.4%)

## Auditors

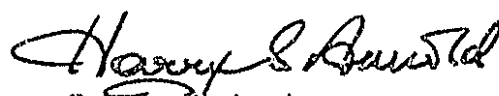
On 1st January 1990 our auditors changed the name under which they practise to KPMG Peat Marwick McLintock, and accordingly have signed their report in their new name. In accordance with section 385 of the Companies Act 1985, a resolution for the re-appointment of KPMG

Peat Marwick McLintock as auditors of the company is to be proposed at the forthcoming annual general meeting.

## Other information

No director had a material interest during the year in any significant contract with the company or any subsidiary.

Plysu PLC is not a close company within the meaning of the Income and Corporation Taxes Act 1988.



By order of the board  
H. S. ARNOLD  
Secretary  
30th May 1990

# REPORT OF THE THE AUDITORS

To the members of Plysu PLC

We have audited the financial statements on pages 15 to 23 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 and of the group as at 31st March 1990 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.



KPMG PEAT MARWICK  
McLINTOCK  
*Chartered Accountants*  
Milton Keynes  
30th May 1990

# GROUP ACCOUNTING POLICIES

## 1. Financial statements

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain land and buildings, and, in accordance with s228 and s230 of, and schedule 4 to, the Companies Act 1985. The effects of events relating to the year ended 31st March 1990 which occurred before 30th May 1990, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31st March 1990 and of the results for the year ended on that date. The financial statements were adopted by the Board on 30th May 1990.

## 2. Consolidation

The consolidated financial statements incorporate the accounts of the company and all its subsidiaries. A separate profit and loss account of Plysu PLC is not presented as the results of the company are disclosed in the consolidated profit and loss account.

The consolidated financial statements include the results and retained reserves of the wholly owned subsidiaries based on the audited financial statements for the year ended 31st March 1990 for companies incorporated in the UK and the 15 months ended 31st March 1990 for those incorporated in Holland.

## 3. Depreciation

Depreciation is provided to write off the cost or valuation of fixed tangible assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	50 years
Plant and machinery	5-10 years
Moulds	2-5 years

No depreciation is provided on freehold land.

## 4. Stocks

Stocks are valued at the lower of cost and net realisable value. In determining the cost of raw materials, consumables and goods for resale, the average purchase price is used. For work in progress and finished goods, cost is taken as production cost which includes an appropriate proportion of overheads.

## 5. Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision for deferred taxation is made if there is reasonable evidence that such deferred taxation will be payable in the foreseeable future.

## 6. Foreign currencies

The attributable profits of the subsidiary companies in Holland are translated into sterling at the average rate for the period. All assets and liabilities are translated at the rate ruling at the balance sheet date and the profit or loss arising is taken directly to reserves.

## 7. Pension costs

The company operates pension schemes in the UK providing benefits based on final pensionable pay. The assets of the schemes are held separately from those of the company. Contributions to the schemes are charged to the profit and loss account so as to spread the cost of pensions over employees working lives with the company.

The subsidiary companies in Holland operate a pension scheme based upon final pensionable pay, the contributions to which are paid to an insurance company.

## 8. Government assistance

Government assistance is credited to the profit and loss account evenly during the development phase of the project to which it relates.

## 9. Leases

For all the Group's operating leases, rental charges are taken to the profit and loss account on a straight line basis over the life of the lease.

# CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31st March 1990

	Notes	1990		1989	
		£000	£000	£000	£000
Turnover	1		58,580		54,489
Cost of sales			(44,198)		(39,874)
			<u>14,382</u>		<u>14,615</u>
Gross profit					
Distribution costs		(2,817)		(2,825)	
Administrative expenses		(4,554)		(4,121)	
			<u>(7,371)</u>		<u>(6,946)</u>
Trading profit	2-4		7,011		7,669
Interest receivable		3		3	
Interest payable	5	(1,506)		(857)	
			<u>(1,503)</u>		<u>(854)</u>
Profit on ordinary activities before taxation			5,508		6,815
Taxation on profit on ordinary activities	6		(1,771)		(1,548)
Profit on ordinary activities after taxation attributable to members of Plysu PLC			3,737		4,967
Appropriated for dividends paid and proposed	7		(1,517)		(1,235)
Retained profit for the year			<u>2,220</u>		<u>3,732</u>
Earnings per fully paid ordinary share	8		8.6p		11.5p
Retained profit for the year has been added to the balance of the profit and loss account in:					
The company			1,768		3,372
Subsidiary companies			452		360
			<u>2,220</u>		<u>3,732</u>

A statement of movement on reserves is given in note 17.

# CONSOLIDATED BALANCE SHEET

As at 31st March 1990

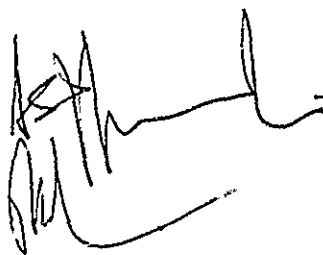
	Notes	1990 £000	1989 £000
<b>Fixed assets</b>			
Tangible assets	9	35,815	30,215
<b>Current assets</b>			
Stocks	11	4,343	4,573
Debtors	12	12,282	10,525
Cash		7	3
		<u>16,632</u>	<u>15,101</u>
<b>Creditors</b>			
Amounts falling due within one year	13	<u>(14,596)</u>	<u>(14,988)</u>
<b>Net current assets</b>		<u>2,036</u>	<u>113</u>
<b>Total assets less current liabilities</b>		<u>37,851</u>	<u>30,328</u>
<b>Creditors</b>			
Amounts falling due after more than one year	13	(7,701)	(8,831)
<b>Provisions for liabilities and charges</b>			
Deferred taxation	14	<u>(1,113)</u>	<u>(1,254)</u>
		<u>29,037</u>	<u>20,243</u>
<b>Capital and reserves</b>			
Called up share capital	15	4,335	4,333
Share premium account	16	17	1
Profit and loss account	17	24,685	22,210
		<u>29,037</u>	<u>26,544</u>

# BALANCE SHEET

As at 31st March 1990

	Notes	1990 £000	1989 £000
<b>Fixed assets</b>			
Tangible assets	9	33,098	33,098
Investments	10	982	982
		<u>34,080</u>	<u>34,080</u>
<b>Current assets</b>			
Stocks	11	3,994	3,994
Debtors	12	11,118	11,118
Cash		4	4
		<u>15,116</u>	<u>15,116</u>
<b>Creditors</b>			
Amounts falling due within one year	13	(13,623)	(13,623)
<b>Net current assets/(liabilities)</b>		<u>1,493</u>	<u>1,493</u>
<b>Total assets less current liabilities</b>		<u>35,573</u>	<u>35,573</u>
<b>Creditors</b>			
Amounts falling due after more than one year	13	(7,701)	(7,701)
<b>Provisions for liabilities and charges</b>			
Deferred taxation	14	(1,113)	(1,113)
		<u>26,759</u>	<u>26,759</u>
<b>Capital and reserves</b>			
Called up share capital	15	4,335	4,335
Share premium account	16	17	17
Profit and loss account	17	22,407	22,407
		<u>26,759</u>	<u>26,759</u>

C.S.J. SUMMERLIN, Director  
R.E. GORDON, Director  
30th May 1990



# CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

*For the year ended 31st March 1990*

	1990		1989	
	£000	£000	£000	£000
<b>Source of funds</b>				
Profit on ordinary activities before taxation		5,508		6,815
Adjustment for items not involving the movement of funds:				
Depreciation and other amounts written off		5,033		4,181
<b>Total generated from operations</b>		<u>10,541</u>		<u>10,996</u>
Funds from other sources:				
Exchange differences and sale of fixed assets		171		21
Medium term loans received		—		3,833
Proceeds of share capital issued during the year		15		5
<b>Total funds generated</b>		<u>10,727</u>		<u>14,855</u>
<b>Application of funds</b>				
Dividends paid	1,322		1,061	
Tax paid	1,806		2,340	
Purchase of fixed tangible assets	4,475		12,163	
Medium term loans repaid	1,132		—	
		<u>(8,735)</u>		<u>(15,564)</u>
<b>Net source/(application) of funds</b>		<u>1,992</u>		<u>(709)</u>
<b>Represented by movements in:</b>				
Cash		213		(1,452)
Stocks		(432)		1,155
Debtors		1,725		155
Creditors		486		(567)
		<u>1,992</u>		<u>(709)</u>

# NOTES TO THE FINANCIAL STATEMENTS

	1990 £000	1989 £000
<b>1. Turnover</b>		
Turnover and profit therefrom emanate from processing of plastics materials. Profits arise mainly from trading activities in the U.K.		
Turnover: U.K.	51,812	29,517
Holland	6,768	10,000
	<u>58,580</u>	<u>39,517</u>
<b>2. Trading profit</b>		
Stated after charging:		
Depreciation on fixed tangible assets	5,033	4,100
Auditors' remuneration	42	36
Contribution to Employee Profit Share Scheme	—	80
Charges under operating leases	353	440
	<u>5,428</u>	<u>4,656</u>
<b>3. Staff costs (including directors' emoluments)</b>		
Wages and salaries	14,044	12,000
Social security costs	1,305	1,000
Company's contribution to employees' pension funds	348	100
	<u>15,697</u>	<u>13,100</u>
Average number of employees involved in:	Numbers	Numbers
Production	1,043	1,000
Administration, sales and distribution	265	200
	<u>1,308</u>	<u>1,200</u>
The number of employees of the group whose emoluments exceeded £30,000 was as follows:		
£30,001 - £35,000	6	2
<b>4. Directors' emoluments</b>	£000	£000
Fees	25	20
Emoluments, including pension contributions	368	440
	<u>393</u>	<u>460</u>
The emoluments, excluding pension contributions, of:		
The chairman	59	60
The highest paid director	84	100
The number of other directors whose emoluments, excluding pension contributions, fell in each £5,000 bracket was as follows:	Numbers	Numbers
£5,001 - £10,000	—	1
£10,001 - £15,000	2	1
£15,001 - £20,000	—	2
£20,001 - £25,000	—	2
£25,001 - £30,000	4	—
<b>5. Interest payable</b>	£000	£000
Interest on overdrafts and bank loans	1,506	1,500
<b>6. Taxation on profit for the year on ordinary activities</b>		
U.K. corporation tax at 35% (1989: 35%)	1,871	1,600
Overseas tax recovered	(25)	(10)
	<u>1,846</u>	<u>1,590</u>
Transfer from deferred tax	(75)	—
	<u>1,771</u>	<u>1,590</u>

# NOTES TO THE FINANCIAL STATEMENTS

*Continued*

	1990 £000	1989 £000
<b>7. Dividends on the fully paid ordinary shares</b>		
Interim of 1.0p (0.8p) paid 30th January 1990	433	347
Proposed final of 2.5p (2.05p) payable 19th July 1990	1,084	828
	<u>1,517</u>	<u>1,175</u>

## 8. Earnings per share

Earnings per fully paid ordinary share are calculated by dividing the profit on ordinary activities after taxation by the number of ordinary shares in issue during the year.

<u>8.6p</u>	<u>11.5p</u>
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## 9. Fixed tangible assets

	The Group			The Company		
	Freehold land and buildings £000	Plant and machinery £000	Total £000	Freehold land and buildings £000	Plant and machinery £000	Total £000
<i>Cost or valuation</i>						
At 31st March 1989	12,985	43,765	56,750	11,757	41,038	52,795
Exchange rate adjustments	183	402	585	—	—	—
Additions	857	3,618	4,475	653	2,974	3,627
Disposals	—	(1,018)	(1,018)	—	(945)	(945)
At 31st March 1990	<u>14,025</u>	<u>46,767</u>	<u>60,792</u>	<u>12,410</u>	<u>43,067</u>	<u>55,477</u>
<i>Depreciation</i>						
At 31st March 1989	(574)	(19,881)	(20,455)	(574)	(17,941)	(18,515)
Exchange rate adjustments	—	(285)	(285)	—	—	—
Charge for year	(180)	(4,853)	(5,033)	(162)	(4,445)	(4,607)
Disposals	—	796	796	—	743	743
At 31st March 1990	<u>(754)</u>	<u>(24,223)</u>	<u>(24,977)</u>	<u>(736)</u>	<u>(21,643)</u>	<u>(22,379)</u>
<i>Net book value</i>						
At 31st March 1989	<u>12,411</u>	<u>23,884</u>	<u>36,295</u>	<u>11,183</u>	<u>23,097</u>	<u>34,280</u>
At 31st March 1990	<u>13,271</u>	<u>22,544</u>	<u>35,815</u>	<u>11,674</u>	<u>21,424</u>	<u>33,098</u>

### *Details of revalued assets of the group are:*

	1990	1989
Land and buildings at 1978 valuation	2,895	2,895
Aggregate depreciation thereon	(482)	(442)
Net book value	<u>2,413</u>	<u>2,453</u>
Historical cost of revalued assets	1,381	1,381
Aggregate depreciation based thereon	(401)	(375)
Net book value based on historical cost	<u>980</u>	<u>1,006</u>

## 10. Fixed asset investments

### *The Company*

Ordinary shares in unlisted wholly owned subsidiaries at lower of cost and net asset value

<u>982</u>	<u>982</u>
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# NOTES TO THE FINANCIAL STATEMENTS

*Continued*

## 10. Fixed asset investments (continued)

Details of the company's trading subsidiaries are as follows:

<i>Incorporated in Great Britain</i>	<i>Business</i>
Plysu Containers Ltd.	Sale of moulded plastics containers for industrial and domestic use
Plysu Housewares Ltd.	Sale of moulded plastics products for domestic use
Plysu Industrial Ltd.	Sale of plastics protective clothing
<i>Incorporated in Holland</i>	
Plysu B.V.	Manufacture and sale of moulded plastics containers for industrial and domestic use

## 11. Stocks

	<i>The Group</i>		<i>The Company</i>	
	1990	1989	1990	1989
	£000	£000	£000	£000
Raw materials and consumables	2,930	3,416	2,708	3,218
Work in progress	188	246	188	229
Finished goods	1,225	1,163	1,098	1,067
	<u>4,343</u>	<u>4,725</u>	<u>3,994</u>	<u>4,514</u>

The replacement cost of stocks is not materially different from the figures stated above.

## 12. Debtors

*Due within one year:*

Trade debtors	11,816	9,783	-	-
Amounts owed by subsidiaries	-	-	10,818	8,847
Other debtors	420	562	274	425
Prepayments and accrued income	46	40	26	17
	<u>12,282</u>	<u>10,385</u>	<u>11,118</u>	<u>9,299</u>

## 13. Creditors

*Amounts falling due within one year:*

Trade creditors	6,998	8,066	6,356	7,289
Bank overdraft (unsecured)	1,717	1,026	1,521	1,778
Amount due to subsidiaries	-	-	77	77
Tax and social security	1,482	1,135	1,439	1,123
Corporation tax	2,094	1,957	2,071	1,978
Other creditors	1,221	1,052	1,075	991
Proposed dividend	1,084	855	1,084	889
	<u>14,596</u>	<u>14,058</u>	<u>13,623</u>	<u>13,994</u>

*Amounts falling due after more than one year:*

Bank loans repayable:				
between two and five years	7,701	8,066	7,701	8,066
after more than five years	-	167	-	167
	<u>7,701</u>	<u>8,233</u>	<u>7,701</u>	<u>8,233</u>

All loans are unsecured.

## 14. Deferred taxation

	1990		1989	
	Provided	Unprovided	Provided	Unprovided
	£000	£000	£000	£000
Accelerated capital allowances	1,475	2,086	1,550	1,803
Advanced corporation tax	(362)	-	(203)	-
	<u>1,113</u>	<u>2,086</u>	<u>1,347</u>	<u>1,803</u>

# NOTES TO THE FINANCIAL STATEMENTS

*Continued*

## 15. Share capital of the company

<i>Authorised</i>	£000
At 31st March 1989 and 1990:	
47,500,000 ordinary shares of 10p each	4,750
	<hr/>
<i>Allotted, called up and fully paid</i>	
At 31st March 1989: 43,329,785 ordinary shares of 10p each	4,333
23,244 shares issued on exercise of options	2
	<hr/>
At 31st March 1990:	
43,353,029 ordinary shares of 10p each	4,335
	<hr/>

## 16. Share premium account

	<i>The Group</i> £000	<i>The Company</i> £000
At 31st March 1989	4	4
Premium on shares issued during year	13	13
	<hr/>	<hr/>
At 31st March 1990	17	17
	<hr/>	<hr/>

## 17. Profit and loss account

At 31st March 1989	22,216	20,639
Add: Retained profit for the year	2,220	1,768
Exchange rate adjustments	249	—
	<hr/>	<hr/>
At 31st March 1990	24,685	22,407
	<hr/>	<hr/>

## 18. Commitments

### *Capital expenditure*

Authorised by the directors and not provided for in the accounts:

	1990	1989	1990	1989
Committed	950	1,800	350	1,700
	<hr/>	<hr/>	<hr/>	<hr/>
Not yet committed	1,925	1,425	1,800	1,200
	<hr/>	<hr/>	<hr/>	<hr/>

### *Operating leases*

Commitments for payments in the next year for plant and machinery under operating leases expiring as follows:

within one year	35	47	35	47
between two and five years	340	321	340	321
	<hr/>	<hr/>	<hr/>	<hr/>
	375	368	375	368
	<hr/>	<hr/>	<hr/>	<hr/>

## 19. Pension costs

As explained in the accounting policies set out on page 15, the company operates three pension schemes in the UK providing benefits based on final pensionable pay, contributions being charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. Costs have been assessed in accordance with SSAP 24. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method of valuation. The most recent valuation was at 31st March 1989. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment return would exceed the increase in the general level of pay by 2% per annum and that pensions would increase at the rate of 3% per annum. The pension charges for the year were £348,000 (1989: £413,000).

The most recent actuarial valuation showed that the aggregate market value of the schemes' assets was £13,380,000 and that the actuarial value of those assets represented 154% of the benefits that had accrued to members, after allowing for expected future increases in earnings.

## NOTICE OF MEETING

Notice is hereby given that the 43rd annual general meeting of Plysu PLC will be held at The Brewery Conference Centre, Chiswell Street, London EC1 at 12.15pm on 18th July 1990 for the following purposes:

1. To consider the company's financial statements and the reports of the directors and auditors for the year ended 31st March 1990.

2. To confirm the interim dividend of 1.0p per share paid on 30th January 1990 and to approve the proposed final dividend of 2.5p per share payable 19th July 1990.

3. To re-elect directors:  
(a) Mr. C.S.J. Summerlin, being over the age of 70, retires and offers himself for re-election.

(b) Mr. A.B. Brooker retires in accordance with the articles of association and offers himself for re-election.

4. To appoint auditors and to authorise the directors to fix their remuneration.

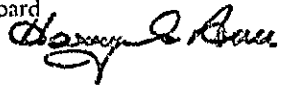
5. To transact any other ordinary business of the company.

Every member entitled to attend and vote at the meeting is

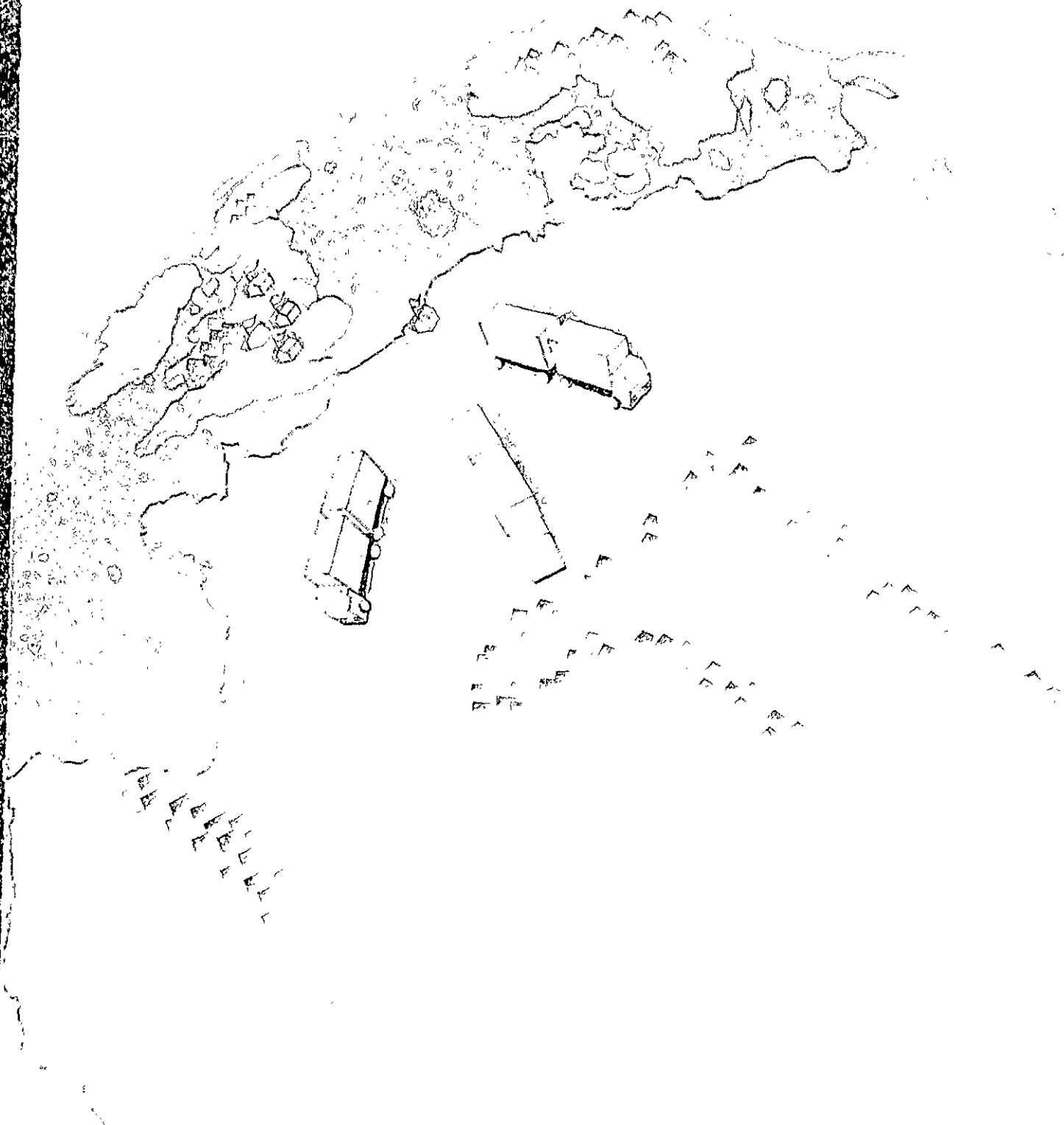
entitled to appoint one or more proxies to attend, and, in a poll, vote in their stead.






A proxy need not be a member of the company. Completion of a form of proxy will not preclude a member from attending and voting in person.

By order of the board  
H. S. ARNOLD  
Secretary  
30th May 1990



120 Station Road,  
Woburn Sands,  
Milton Keynes,  
Bucks MK17 8SE



-  LITTLE ROCK, ARK. (H. A. C.)
-  NEWPORT, PAS. (H. A. C.)
-  WOODBURN, SALEM, MASS. (H. A. C.)
-  KEMPSON, BETHLEHEM
-  HALLWELL, ARK. (H. A. C.)