

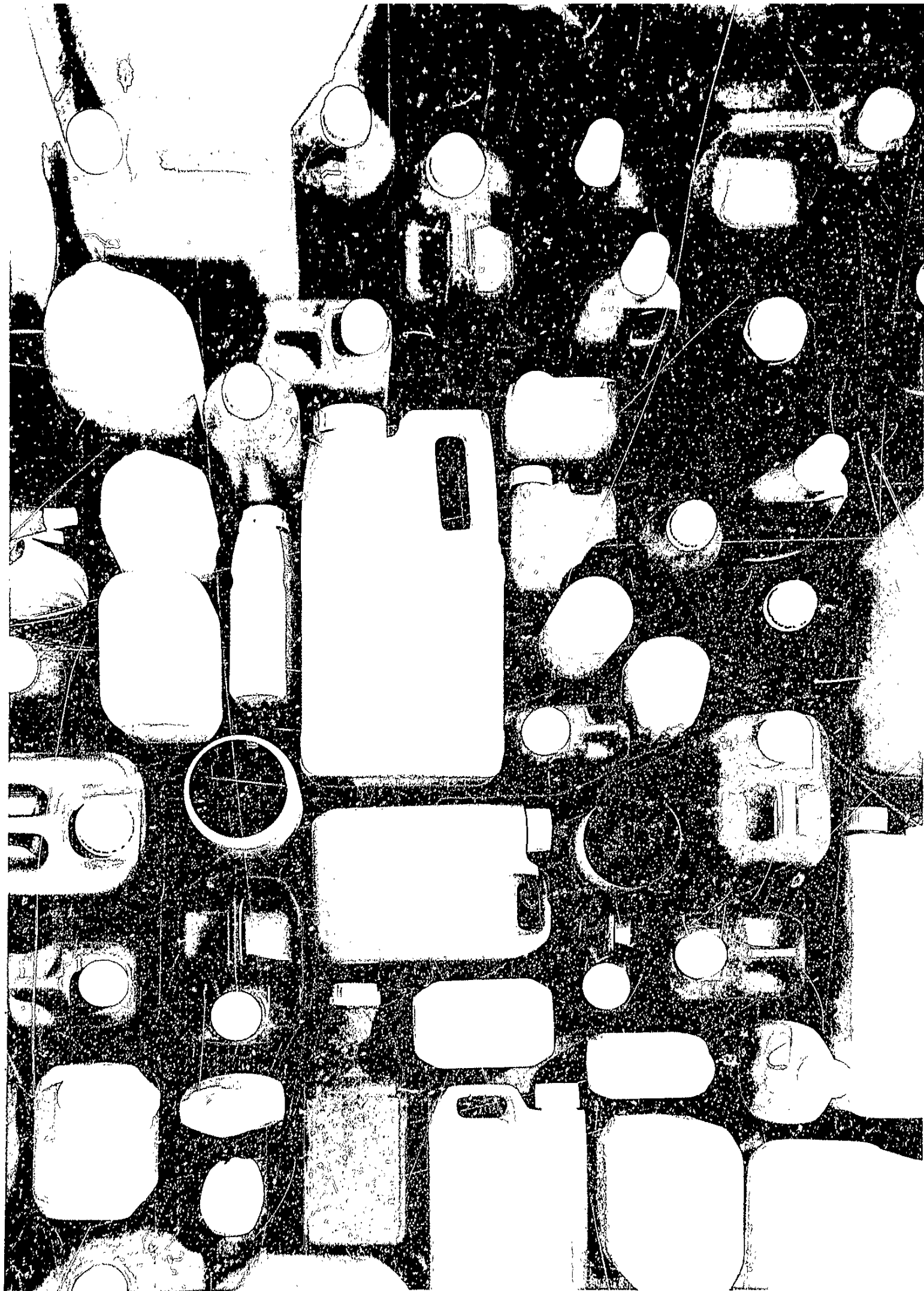
Financial

men 9

Plysu PLC

Contents

	<i>Page</i>
Directors and officers	2
Notice of meeting	3
Chairman's statement	4
Performance record	5
Report of the directors	6
Report of the auditors	9
Group accounting policies	9
Statement of source and application of funds	11
Consolidated profit and loss account	12
Consolidated balance sheet	13
Plysu PLC balance sheet	15
Notes to the financial statements	16
Five year record	21



Directors and officers

Directors

Charles Sidney James Summerlin *(Chairman)*

Richard Edward Gordon C A *(Managing director)*

Jonathan Robert Hill *(Engineering director)*

Malcolm Valentine Strickland Macintyre C Eng *(Production director)*

Stephen Spencer Nobbs F C A *(Financial director)*

Maxwell James Summerlin *(Sales director)*

Brian Horace Lewis *(Non-executive director)*

Secretary

Noel Anthony Slocock

Auditors

Peat Marwick McLintock

Registered Office

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

Registrars and Transfer Office

Ravensbourne Registration Services Limited,
Bourne House,
34 Beckenham Road,
Beckenham,
Kent BR3 4TU

Notice of meeting

Notice is hereby given that the fortieth annual general meeting of Plysu PLC will be held at The Brewery Conference Centre, Chewell Street, London, EC1 at 12.15pm on 22nd July 1987 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 1987
- 2 To confirm the interim dividend of 0.65p per share paid 30th January 1987 and to approve the proposed final dividend of 1.55p per share payable 23rd July 1987
- 3 To re elect directors.
(a) Mr. S.S. Nobbs, who was appointed a director on 1st January 1987, offers himself for re-election.
(b) Mr. B.H. Lewis retires in accordance with the articles of association and offers himself for re-election.
- 4 To consider and if thought fit to pass the following resolutions, resolutions (a), (b) and (d) of which will be proposed as ordinary resolutions and resolution (c) as a special resolution.
(a) That the authorised share capital of the company be increased from £4,000,000 to £4,750,000 by the creation of an additional 7,500,000 ordinary shares of 10p each.
(b) That the board be and it is hereby generally and unconditionally authorised to exercise all the powers of the company to allot relevant securities (within the meaning of section 80 of the Companies Act 1985 ('the Act')) up to an aggregate nominal amount of £417,681.60 provided that this authority shall expire on the date of the next annual general meeting after the passing of this resolution save that the company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the board may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.
(c) That subject to the passing of resolution (b) above the board be and it is hereby empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94 of the Act) for cash pursuant to the authority conferred by resolution (b) as if sub-section (1) of section 89 of the Act did not apply to any such allotment provided that this power shall be limited:
(i) to the allotment of equity securities in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them; and
(ii) to the allotment (otherwise than pursuant to sub-paragraph (1) above) of equity securities up to an aggregate nominal value of £237,500 and shall expire on the date of the next annual general meeting of the company after the passing of this resolution save that the company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the board may allot equity securities in pursuance of such an offer or agreement as if the power conferred hereby had not expired.
(d) That the sum of £410,780.62 being the balance standing to the credit of the company's revaluation reserve account together with the sum of £311,272.48 being part of the balance standing to the credit of the company's profit and loss account be capitalised and appropriated as capital to and amongst the holders of the ordinary shares of the company as shown on the register of members at the close of business on 17th July 1987 and applied in paying up in full at par 7,220,531 ordinary shares of 10p in the capital of the company and that such shares be allotted as fully paid to and amongst such holders in the proportion of one ordinary share of 10p for every five ordinary shares of 10p then held. The new shares shall rank *pari passu* in all respects with the existing fully paid ordinary shares of 10p each except that they will not rank for the final dividend for the year ended 31st March 1987. Fractions of ordinary shares arising from the capitalisation issue will be sold in the market for the benefit of the company.
5. To appoint auditors and to authorise the directors to fix their remuneration.
6. 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 his 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.

29th June 1987
120 Station Road,
Woburn Sands,
Milton Keynes,
Bucks, MK17 8SE

By order of the board,
N.A. SLOCOCK
Secretary



A statement of all transactions by each director of the company and his family interests in the ordinary shares of the company during the twelve 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 11.45 am until the conclusion of the meeting. There are no service contracts with the directors.

Chairman's statement



Board of directors

Stephen Spencer Nobbs was appointed Financial Director in January 1987. He joined us as director designate a little over twelve months ago and is now proving a valuable addition to the Board.

The year

Group sales increased by 10% and pre-tax profits by 18%. These figures include Holland where although turnover was down by comparison with last year we achieved an improved level of profitability.

Containers

Containers had a good year with strong demand for most of our products especially the lightweight milk and juice bottles. Raw material prices continue to increase however and we are having to adjust our selling prices again to maintain margins although there is no sign that our competitive position versus traditional materials will be affected.

Housewares

Housewares encountered increased competition but we were able to maintain our share of the market. Demand has been stimulated recently by the introduction of new products and further additions to our range will appear at intervals over the next few months including not only housewares but also a growing selection of gardening products.

Industrial

Plysu Industrial had another successful year although remaining a relatively small part of the Group.

Plysu Europe

We are phasing out many of the large containers we inherited as a result of acquiring Phoenix Plastics three years ago and concentrating more on the Plysu range where the much greater prospects for profitable expansion in Europe are reflected in a currently improving performance.

Capital expenditure

We are in a phase of rapidly increased expansion which we expect to cost around £20 million. In the year just ended capital expenditure amounted to £7 million and the balance will come through in the current financial year. The cost will be met in the main from internally generated funds and the rest will be financed by bank borrowing.

Regional production

Production has started at our new 80,000 sq. ft. factory in Littleborough near Rochdale and by the end of the year this unit should be making a comprehensive range of containers. There is room for further expansion on the 17 acre site.

We have also bought 9½ acres at Newport Pagnell a few miles north of Woburn Sands and work has started on a 180,000 sq. ft. factory. The first section will be ready early in the New Year and will be devoted to the manufacture of our Multiguard range of solvent resistant containers. The rest of the factory will be necessary to accommodate overflow from Woburn Sands where the 34 acre site is nearly full. The Multiguard container which is a laminated bottle using a thin layer of nylon as a barrier is already in production at Woburn Sands and has been enthusiastically received particularly in the agrochemical market.

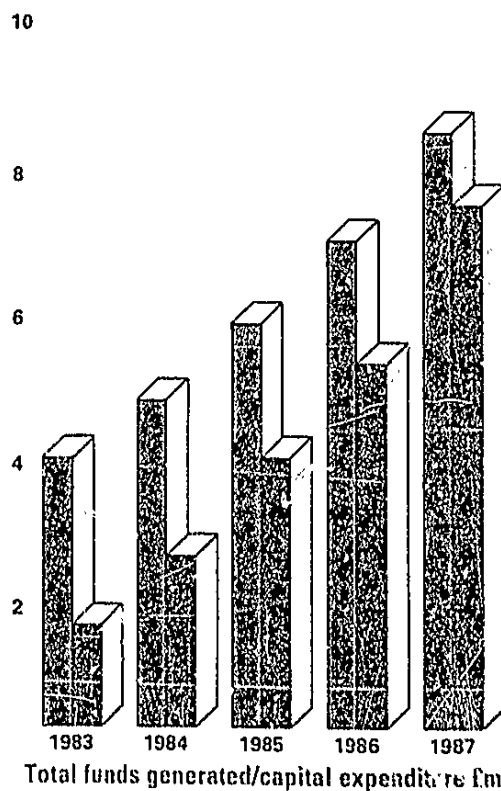
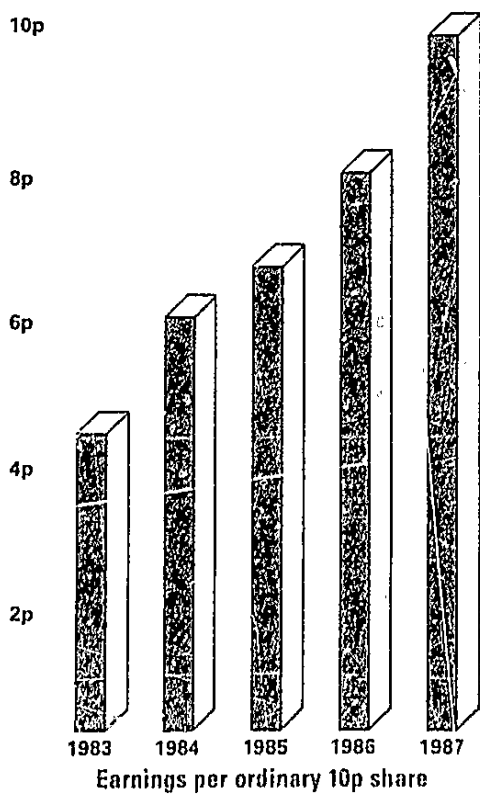
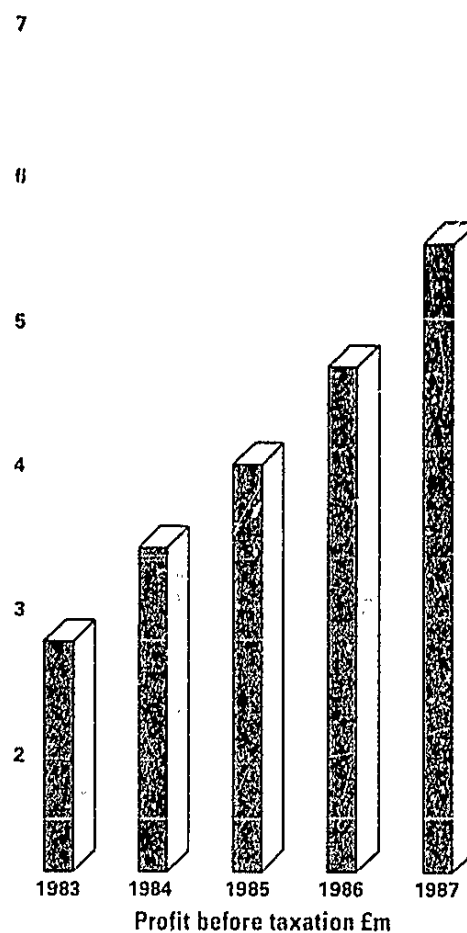
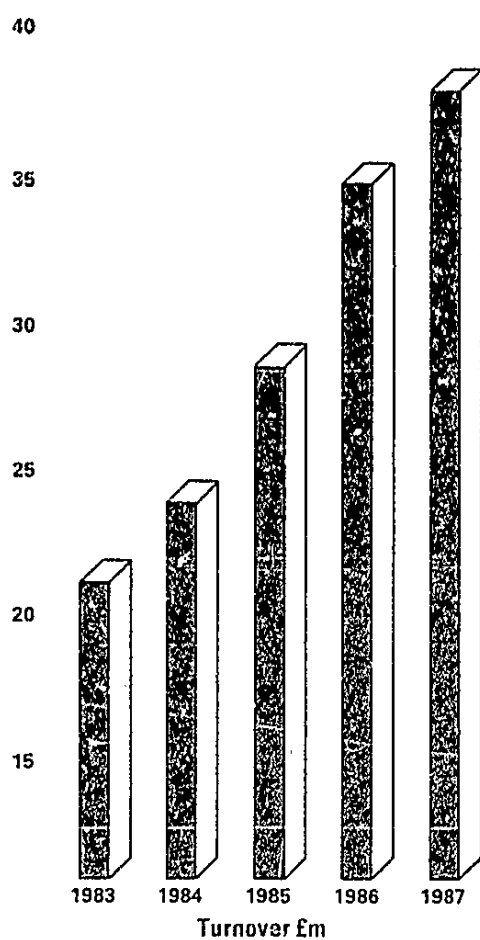
The future

The new financial year has begun well and we look forward with confidence to the future. We are hard pressed to meet the demand for our established range of products and the additional capacity at Littleborough and Newport Pagnell must be utilised as soon as possible. The prospects for Multiguard are exciting and will be enjoyed without affecting our existing market for monolayer polyethylene containers.

Once more I must emphasise the part played by all those employed by Plysu. Our success in the past and our hopes for the future are closely tied to the enthusiasm and diligence of our workforce most of whom have shares in the company and whose holding will be increased by the year's allocation of £100,000 to the Profit Share Scheme.

C.S.J. SUMMERLIN
Chairman
27th May 1987

Performance record



Report of the directors

The directors have pleasure in submitting their annual report and financial statements for the year ended 31st March 1987

Activities

The two principal activities of the group continue to be the manufacture in plastics of blow moulded containers ('Containers') for industrial and domestic use and a range of injection and blow moulded domestic ware ('Housewares'). The group also manufactures a range of high frequency welded PVC products, including pressure ventilated and other protective clothing. A review of the development of the business during the year is contained in the Chairman's statement on page 4

Dividends and group profit

The directors recommend that a final dividend of 1.55p per share be paid on 23rd July 1987 making, with the interim of 0.65p per share paid on 30th January 1987, a total of 2.20p per share for the year.

Dividends account for £794,000 of the profit on ordinary activities after taxation and the remaining £2,717,000 is added to group reserves as retained profit for the year.

Fixed assets

Information relating to fixed tangible assets is given in note 8 to the financial statements on pages 17 and 18.

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

The resolutions concerning increases in the authorised and issued share capital submitted to the annual general meeting in July 1986 were duly passed. Details of these increases are given in note 14 to the financial statements.

In order that the issued share capital may be brought more into line with the capital involved in the business the directors are recommending the capitalisation of £722,053.10 being the balance of the company's revaluation reserve account together with the sum of £311,272.48 being part of the balance standing to the credit of the company's profit and loss account which would be applied in the issue of one new ordinary share of 10p credited as fully paid for every five ordinary shares of 10p held by shareholders. The appropriate resolutions to effect this issue and an increase in the authorised capital to make sufficient shares available are set out in the notice of meeting on page 3.

In the event of these resolutions being passed 4,176,816 ordinary shares of 10p (8.8% of the authorised capital) will remain unissued. Apart from shares to be issued pursuant to the capitalisation issue and employee share schemes, the directors have no present intention of issuing any of the increased share capital and will not make any issue which would effectively alter the control of the company without the prior approval of shareholders in general meeting.

Provided the resolutions in item 4 of the notice of meeting are passed the issue will be made on the following basis:

1. The new shares will rank *pari passu* with the existing fully paid ordinary shares of 10p except that they will not rank for the proposed final dividend for the year ended 31st March 1987 payable 23rd July 1987.
2. The shares will be issued to those members whose names were on the company's share register at the close of business on 17th July 1987.
3. Application will be made to the Council of The Stock Exchange for the new shares being issued to be admitted to the Official List.
4. The company will issue definitive certificates for the new shares on 24th July 1987 and dealings in these shares are expected to commence on 27th July 1987.
5. Fractions of ordinary shares arising from the capitalisation issue will be sold in the market for the benefit of the company.

Employee share schemes

The Trustees of the Plysu Employee Profit Share Scheme applied the third allocation to the scheme in July 1986 in the purchase of 59,063 ordinary shares in the company (after adjustment for the capitalisation issue in July 1986). The total number of shares held for employees after adjustment for the capitalisation issues was 243,387 shares at 31st March 1987. Under the provisions of the scheme such shares are still held by the Trustees in trust for the employees concerned. The amount allocated to the scheme this year is £100,000 (1986: £100,000).

The company has outstanding options granted to employees under the terms of the Plysu Savings-Related Share Option Scheme (SAYE scheme) exercisable after 5 or 7 years on 125,488 ordinary shares from options granted in 1984 at the equivalent price of 76.33p each, on 29,781 ordinary shares at 96p each from options granted in 1985 and on 30,280 ordinary shares at 136p each from options granted in 1986. The resolutions concerning the establishment of the Plysu Executive Share Option Scheme (ESO Scheme) put to the extraordinary general meeting in July 1986 were duly passed and the Inland Revenue's approval for the scheme obtained. The total of options granted under this scheme during the year is 436,500 ordinary shares at an option price of 178p per share. These options are exercisable between the third and tenth anniversary of the date of grant.

Directors

The names of the directors during the year are set out on page 2. Their interests in the ordinary shares of the company at 31st March 1987 and 27th May 1987 were as follows

	1987	1986 <i>(adjusted for capitalisation issue July 1986)</i>
C. S. J. Summerlin	2,721,622	2,816,622
C. S. J. Summerlin (non-beneficial)	896,490	896,490
R. E. Gordon	780,189	810,690
R. E. Gordon (non-beneficial)	697,437	639,520
J. R. Hill	—	—
M. V. S. Macintyre	2,722	2,722
S. S. Nobbs	—	— (on appointment)
M. J. Summerlin	852,326	872,326
B. H. Lewis	3,000	3,000

Certain directors have been granted options to subscribe for ordinary shares in the company as follows:

	Option price <i>(adjusted for capitalisation issue July 1986)</i>	Last exercise date		
SAYE scheme				
R. E. Gordon	76.33p	1991	5,755	5,755
R. E. Gordon	96p	1992	4,582	4,582
J. R. Hill	136p	1993	3,235	—
M. V. S. Macintyre	136p	1991	2,720	—
ESO scheme				
J. R. Hill	178p	1997	50,000	—
M. V. S. Macintyre	178p	1997	50,000	—
S. S. Nobbs	178p	1997	20,000	—

Interests of 5% or more in the share capital as notified to the company

	1987	1986 <i>(adjusted for capitalisation issue July 1986)</i>
Barclaytrust Channel Islands Limited	4,301,375 (11.9%)	4,551,375 (12.6%)
Scottish Amicable Investment Managers Limited	2,130,387 (5.9%)	—

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.

In 1981 the company received a 'Fit for Work' award from the Manpower Services Commission in recognition of outstanding achievements in the practical application of positive policies in the employment of disabled people.

There is consultation with employees through the Works Council which was established for just such purposes in 1980. The Council meets at regular intervals and is attended by one or more directors. Further consultation takes place through meetings with Union representatives.

Political and charitable donations

The group made no political donations during the year. Donations to U.K. charities amounted to £1,000 (1986 £3,000).

Other information

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

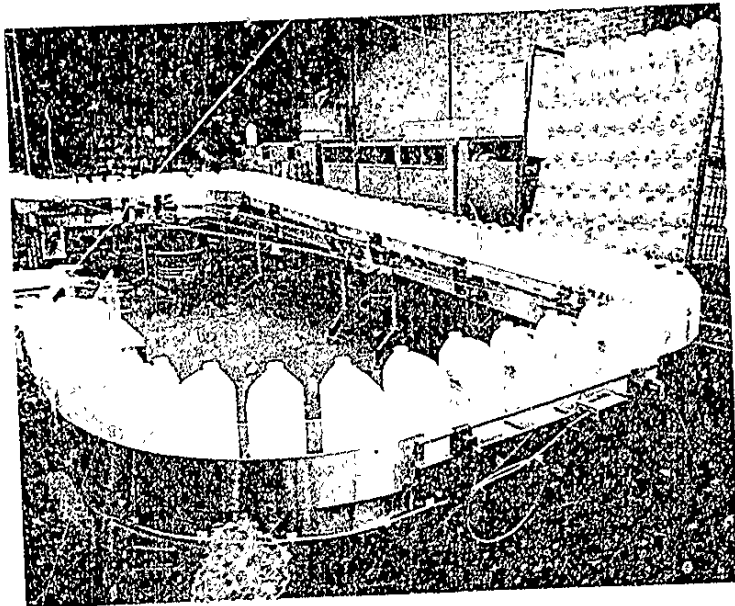
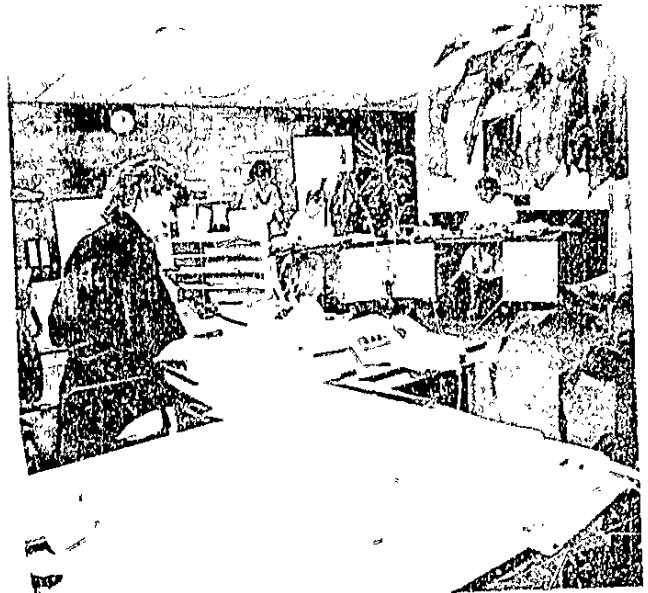
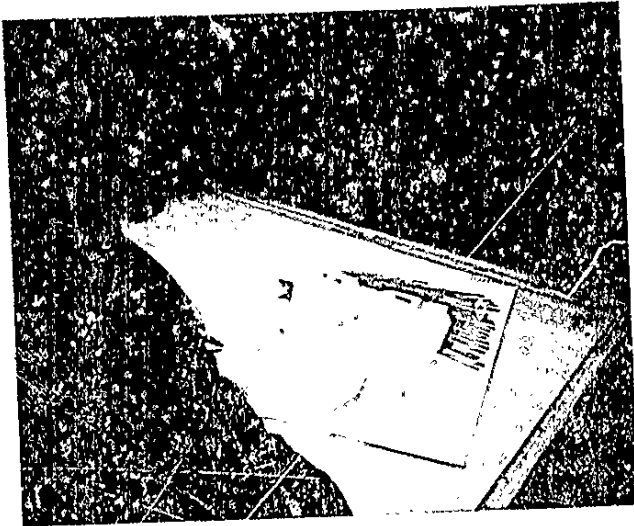
Auditors

Our auditors, KMG Thomson McLintock, are merging with Peat Marwick Mitchell & Co and are now practising under the name of Peat Marwick McLintock. Accordingly they have signed the audit report in their new name. A resolution concerning the appointment of Peat Marwick McLintock as auditors and their remuneration will be submitted to the annual general meeting.

27th May 1987
120 Station Road,
Woburn Sands,
Milton Keynes,
Bucks. MK17 8SE

By order of the board
N. A. SLOCOCK
Secretary



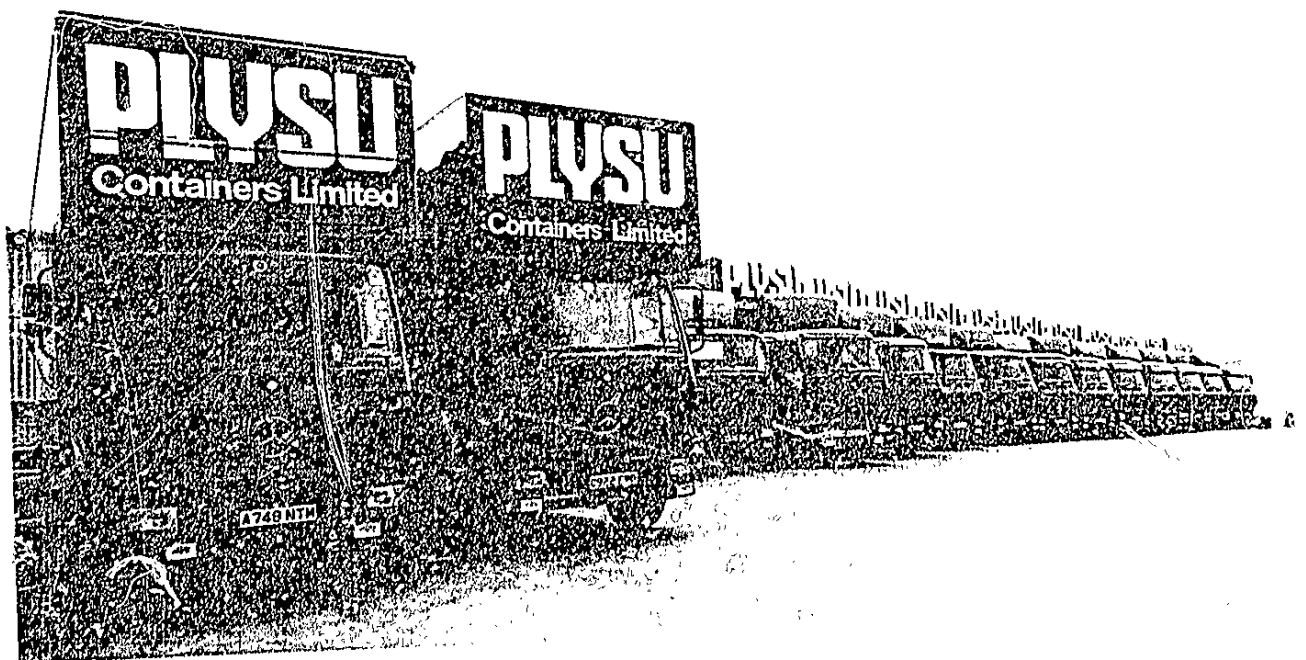


Top left: Artist's impressions form the first stage in the design and development of Pysu containers

Top right: Dutch sales office staff at Pysu BV are multi-lingual, an essential element in European marketing activities

Left: Great expertise and high speed screen printing lines have led to Pysu's unrivalled reputation for excellence in container decoration

Below: Pysu's delivery vehicles have become an increasingly familiar sight on roads and motorways throughout the UK



Auditors' report to the members of Plysu PLC

We have audited the financial statements on pages 9 to 20 in accordance with approved Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of affairs of the company and 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
London
27th May 1987

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 period ended 31st March 1987 which occurred before 27th May 1987, 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 1987 and of the results for the year ended on that date. The financial statements were adopted by the board on 27th May 1987.

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 1987 for companies incorporated in the U.K. and 31st December 1986 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 to 10 years
Moulds	2 to 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

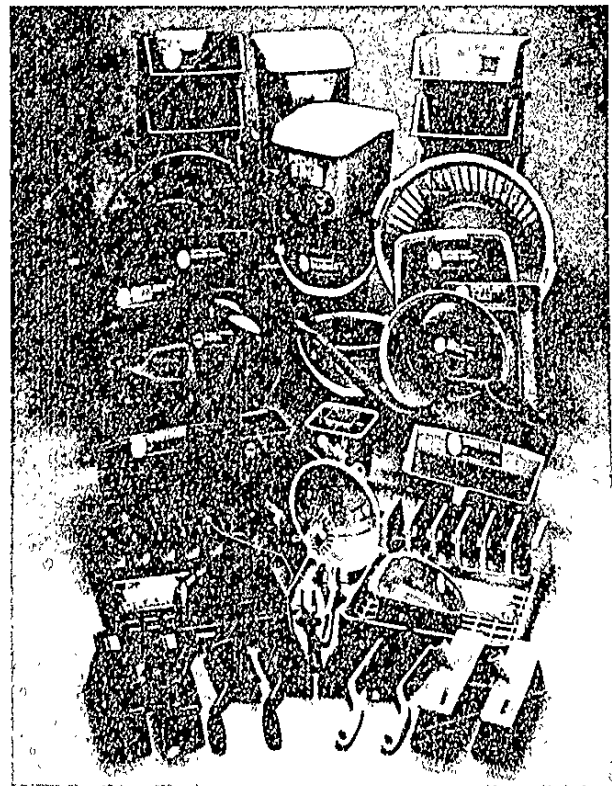
The attributable profit of the subsidiary companies in Holland is translated into sterling at the average rate for the year. All assets and liabilities are translated at the rate ruling at the balance sheet date and the profit or loss arising is taken directly to reserves.

7. Pension costs

The group operates pension schemes covering the majority of employees. Payments made to the schemes and charged against profits are calculated with actuarial advice and represent a proper charge to cover the accruing liabilities on a continuing basis. Independent actuarial valuations of the schemes are made every 3 years.



Above: Plasu containers are used for successfully marketing an ever-increasing variety of consumer and industrial products.



Above: The Plasu householdwares line now consists of some 50 different products.

Left: The Plasu collection includes Plasu's new line of plastic household items.

Plysu PLC and subsidiary companies

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS – £000's For the year ended 31st March 1987

	1987	1986
Source of funds		
Profit on ordinary activities before taxation	5,410	4,567
Adjustment for items not involving the movement of funds:		
Depreciation and other amounts written off	<u>2,877</u>	<u>2,217</u>
Total generated from operations	8,287	6,784
Funds from other sources:		
Proceeds of sale of fixed tangible assets	62	175
Exchange differences	<u>36</u>	<u>62</u>
Total funds generated	8,385	7,021
 Application of funds		
Dividends paid	691	564
Tax paid	1,549	1,270
Purchase of fixed tangible assets	<u>7,285</u>	<u>5,112</u>
	<u>9,525</u>	<u>6,946</u>
Net (application)/source of funds	<u>(1,140)</u>	<u>75</u>
 Represented by:		
Reduction in cash at bank and in hand	(988)	(481)
Increases in stocks	53	(58)
debtors	615	1,304
creditors	<u>(820)</u>	<u>(690)</u>
	<u>(152)</u>	<u>556</u>
	<u>(1,140)</u>	<u>75</u>

Plysu PLC and subsidiary companies

CONSOLIDATED PROFIT AND LOSS ACCOUNT -- £000's For the year ended 31st March 1987

	Notes	1987	1986
Turnover	1	37,496	34,033
Cost of sales		<u>(25,803)</u>	<u>(24,225)</u>
Gross profit		11,693	9,808
Distribution costs		(2,430)	(2,138)
Administration costs		<u>(4,025)</u>	<u>(3,326)</u>
		(6,455)	(5,464)
Trading profit	2-4	5,238	4,344
Interest receivable		<u>172</u>	<u>223</u>
Profit on ordinary activities before taxation		5,410	4,567
Tax on profit on ordinary activities	5	<u>(1,899)</u>	<u>(1,710)</u>
Profit on ordinary activities after taxation attributable to members of Plysu PLC		3,511	2,857
Appropriated for dividends paid and proposed	6	<u>(794)</u>	<u>(650)</u>
Retained profit for the year	7	<u>2,717</u>	<u>2,207</u>
Earnings per fully paid ordinary share			
Calculated by dividing the profit on ordinary activities after taxation by the number of ordinary shares in issue during the year. (The figure for 1986 has been adjusted for the capitalisation issue in July 1986)			
		<u>9.7p</u>	<u>7.9p</u>

Details of the movement in reserves can be found in Note 16

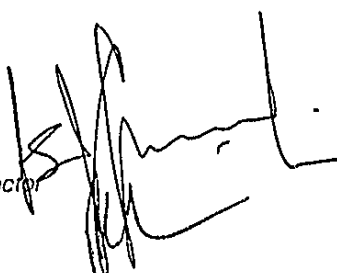
Plysu PLC and subsidiary companies

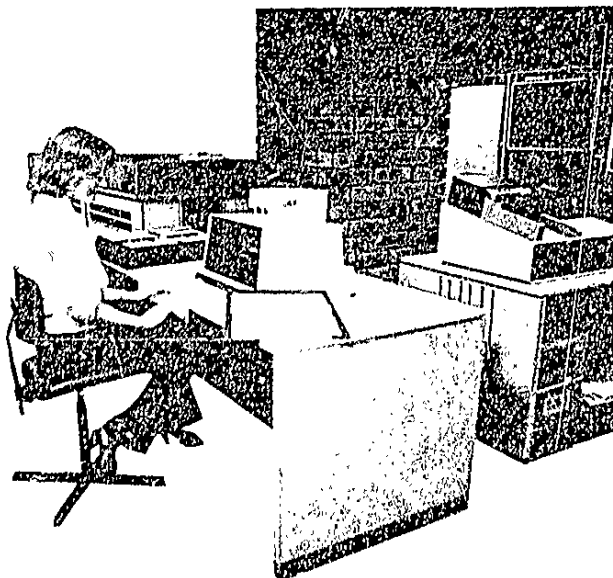
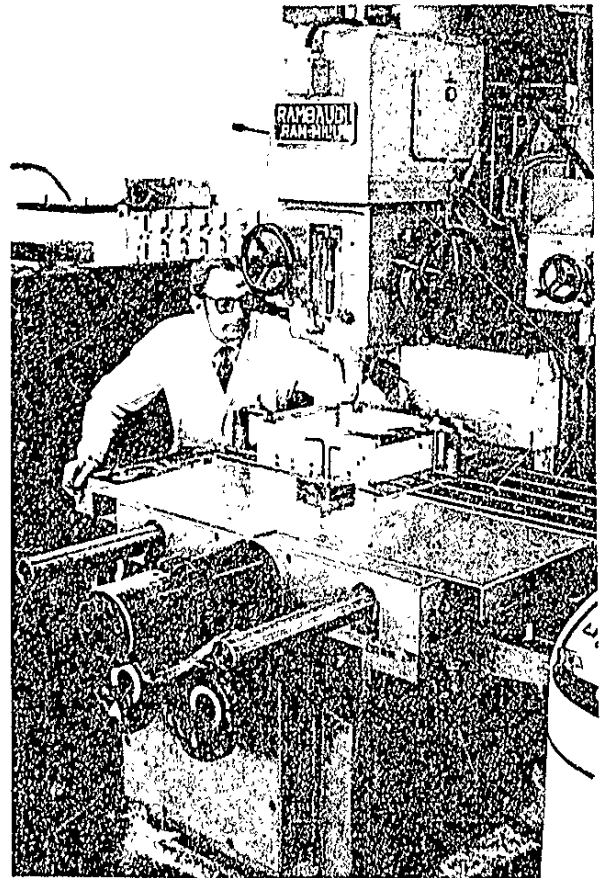
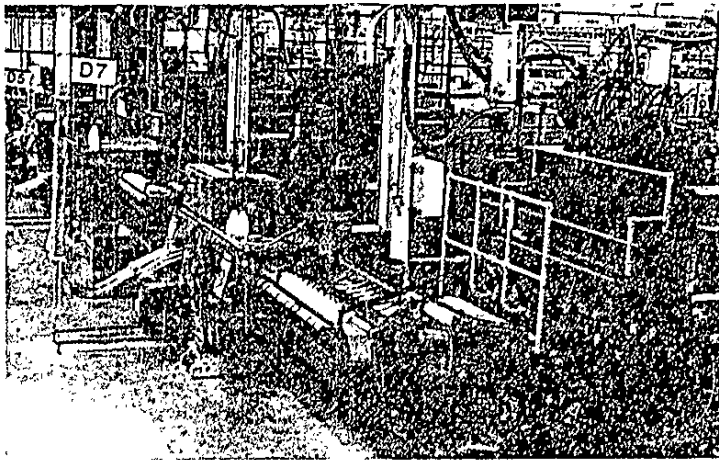
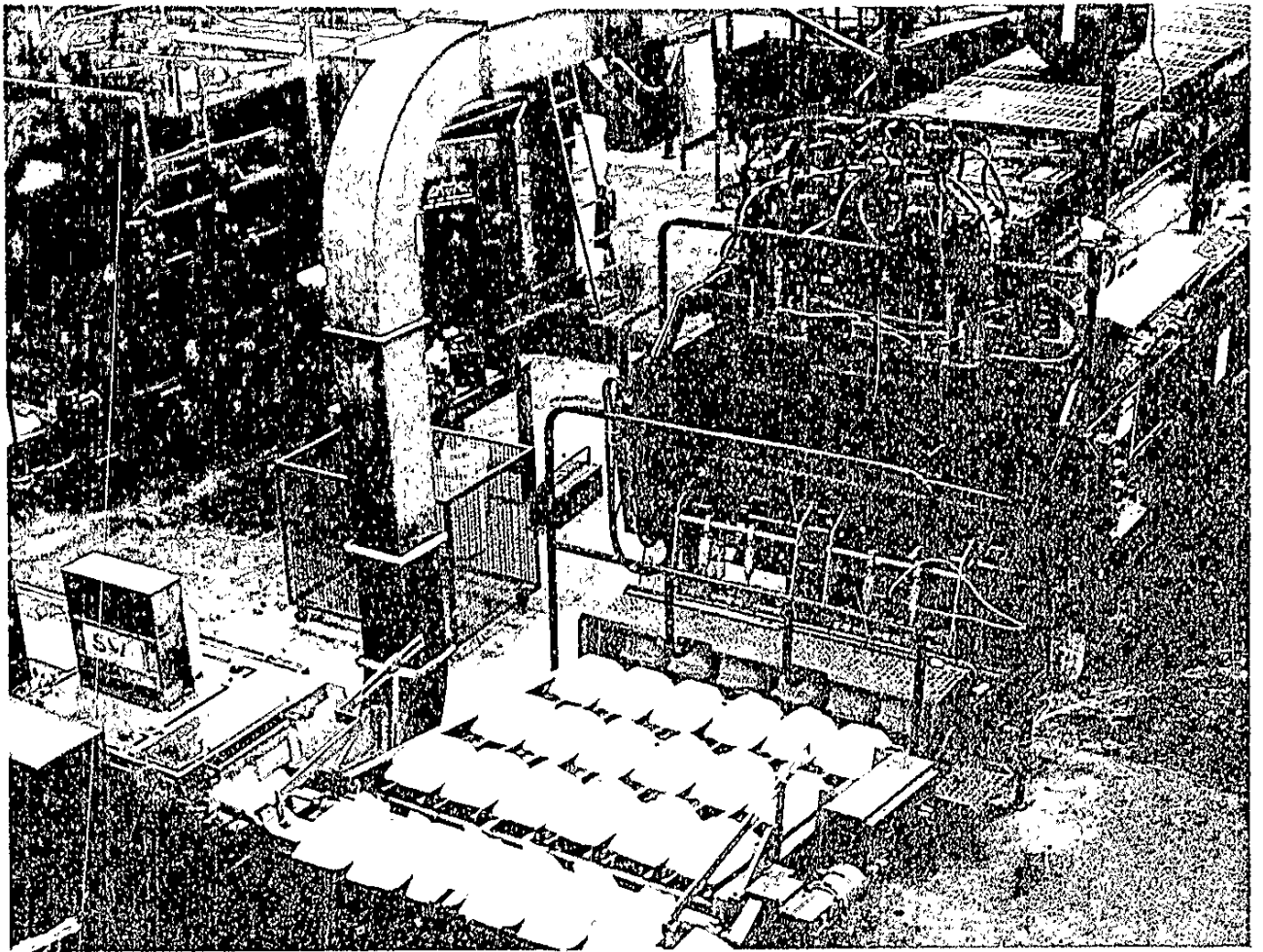
CONSOLIDATED BALANCE SHEET -- £000's

As at 31st March 1987

	Notes	1987	1986
Fixed assets			
Tangible assets	8	19,419	14,843
Current assets			
Stocks	10	2,624	2,571
Debtors	11	7,361	6,726
Cash at bank and in hand		385	1,336
		<u>10,370</u>	<u>10,633</u>
Creditors			
Amounts falling due within one year	12	<u>(9,059)</u>	<u>(7,579)</u>
Net current assets		<u>1,311</u>	<u>3,054</u>
Total assets less current liabilities		<u>20,730</u>	<u>17,897</u>
Deferred taxation	13	<u>(1,050)</u>	<u>(1,200)</u>
		<u>19,680</u>	<u>16,697</u>
Capital and reserves			
Called up share capital	14	3,610	2,407
Share premium account	15	—	983
Revaluation reserve	15	411	632
Profit and loss account	16	15,659	12,675
		<u>19,680</u>	<u>16,697</u>

C. S. J. SUMMERLIN, Director
R. E. GORDON, Director
27th May 1987



Plysu PLC

BALANCE SHEET – £000's

As at 31st March 1987

	Notes	1987	1986
Fixed assets			
Tangible assets	8	18,075	13,578
Investments	9	207	207
		<u>18,282</u>	<u>13,785</u>
Current assets			
Stocks	10	2,348	2,238
Debtors	11	6,621	6,385
Cash at bank and in hand		460	1,360
		<u>9,429</u>	<u>9,983</u>
Creditors			
Amounts falling due within one year	12	<u>(8,328)</u>	<u>(6,865)</u>
Net current assets		<u>1,101</u>	<u>3,118</u>
Total assets less current liabilities		19,383	16,903
Deferred taxation	13	(1,050)	(1,200)
		<u>18,333</u>	<u>15,703</u>
Capital and reserves			
Called up share capital	14	3,610	2,407
Share premium account	15	—	983
Revaluation reserve	15	411	632
Profit and loss account	16	14,312	11,681
		<u>18,333</u>	<u>15,703</u>

C. S. J. SUMMERLIN, Director
 R. E. GORDON, Director
 27th May 1987

Plysu PLC and subsidiary companies

NOTES TO THE FINANCIAL STATEMENTS -- £000's

	1987	1986
1 Turnover		
Turnover and profit therefrom emanate from processing of plastics materials. Profits arise mainly from trading activities in the U.K.		
Turnover: U.K.	32,947	29,247
Holland	4,549	4,786
	<u>37,496</u>	<u>34,033</u>
2. Trading profit		
Stated after charging:		
Depreciation of fixed tangible assets	2,875	2,244
Auditors' remuneration	32	30
Contribution to Employee Profit Share Scheme	100	90
	<u></u>	<u></u>
3. Staff costs		
Wages and salaries	8,886	7,394
Social security costs	831	692
Company's contribution to employees' pension funds	560	475
	<u>10,277</u>	<u>8,561</u>
Average number of employees involved in:	numbers	numbers
Production	793	742
Administration, sales and distribution	216	204
	<u>1,009</u>	<u>946</u>
4. Directors' emoluments		
Fees	11	9
Emoluments, including pension contributions	241	183
	<u>252</u>	<u>192</u>
The emoluments, excluding pension contributions, of the Chairman	45	35
The highest paid director	55	45
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	2	1
£15,001 - £20,000	—	1
£30,001 - £35,000	—	2
£35,001 - £40,000	3	—

	1987	1986
5. Tax on profit for the year on ordinary activities		
U.K. corporation tax at 35% (1986-40%)	2,015	1,710
Overseas tax	34	-
	<u>2,049</u>	<u>1,710</u>
Transfer from deferred tax	(150)	-
	<u>1,899</u>	<u>1,710</u>

6. Dividends on the fully paid ordinary shares		
Interim of 0.65p (0.53p) paid 30th January 1987	234	193
Proposed final of 1.55p (1.27p) payable 23rd July 1987	560	457
	<u>794</u>	<u>650</u>

The rates of dividends in 1986 have been adjusted for the capitalisation issue in July 1986

7. Retained profit for the year		
The retained profit of the group has been added to reserves in:		
The company	2,631	2,186
Subsidiary companies	86	21
	<u>2,717</u>	<u>2,207</u>

8. Fixed tangible assets

Group	Freehold land and buildings	Plant and machinery	Total
<i>Cost or valuation</i>			
At beginning of year	4,250	22,293	26,543
Exchange rate adjustments	65	584	649
Additions	1,426	5,859	7,285
Disposals	-	(228)	(228)
At end of year	<u>5,741</u>	<u>28,508</u>	<u>34,249</u>
<i>Depreciation</i>			
At beginning of year	(352)	(11,348)	(11,700)
Exchange rate adjustments	-	(419)	(419)
Charge for year	(58)	(2,817)	(2,875)
Disposals	-	164	164
At end of year	<u>(410)</u>	<u>(14,420)</u>	<u>(14,830)</u>
<i>Net book value</i>			
At 31st March 1986	<u>3,898</u>	<u>10,945</u>	<u>14,843</u>
At 31st March 1987	<u>5,331</u>	<u>14,088</u>	<u>19,419</u>

Plysu PLC and subsidiary companies

NOTES TO THE FINANCIAL STATEMENTS – £000's (continued)

8 Fixed tangible assets (continued)

Company	Freehold land and buildings	Plant and machinery	Total
<i>Cost or valuation</i>			
At beginning of year	3,890	19,057	22,947
Additions	1,426	5,635	7,061
Disposals	—	(204)	(204)
At end of year	<u>5,316</u>	<u>24,488</u>	<u>29,804</u>
<i>Depreciation</i>			
At beginning of year	(351)	(9,018)	(9,369)
Charge for year	(57)	(2,462)	(2,519)
Disposals	—	159	159
At end of year	<u>(408)</u>	<u>(11,321)</u>	<u>(11,729)</u>
<i>Net book value</i>			
At 31st March 1986	<u>3,539</u>	<u>10,039</u>	<u>13,578</u>
At 31st March 1987	<u>4,908</u>	<u>13,167</u>	<u>18,075</u>
Details of revalued assets of the group are:			
Land and buildings at 1978 valuation		1987	1986
Aggregate depreciation thereon		2,895	2,895
		(362)	(322)
Net book value		<u>2,533</u>	<u>2,573</u>
Historical cost of revalued assets		1,381	1,381
Aggregate depreciation based thereon		(323)	(297)
Net book value based on historical cost		<u>1,058</u>	<u>1,084</u>

9 Fixed asset investments

Company		
Shares in unlisted wholly owned subsidiaries at lower of cost and net asset value	<u>207</u>	<u>207</u>

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

Name	Business
<i>Incorporated and trading in Great Britain</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 and trading in Holland</i>	
Plysu BV	Manufacture and sale of moulded plastics containers for industrial use.
Plysu Europe BV	

10 Stocks

Stocks comprise:

Raw materials and consumables

Work in progress

Finished goods

The Group

The Company

1987	1986	1987	1986
1,696	1,790	1,532	1,571
151	127	151	127
777	654	665	540
<u>2,624</u>	<u>2,571</u>	<u>2,348</u>	<u>2,238</u>

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

11 Debtors

Due within one year:

Trade debtors

Amounts owed by subsidiaries

Other debtors

Prepayments and accrued income

Due after one year:

Deferred ACT

7,019	6,077	—	—
—	—	6,376	1,902
93	417	19	282
42	45	19	14
<u>7,154</u>	<u>6,539</u>	<u>6,414</u>	<u>6,198</u>
207	187	207	187
<u>7,361</u>	<u>6,726</u>	<u>6,621</u>	<u>6,385</u>

12 Creditors

Due within one year:

Trade creditors

Bank overdraft

Amount due to subsidiaries

Tax and social security

Other creditors

Proposed dividend

5,284	4,304	4,690	3,665
37	—	—	—
—	—	77	77
2,763	2,509	2,626	2,392
415	309	375	274
560	457	560	457
<u>9,059</u>	<u>7,579</u>	<u>8,328</u>	<u>6,865</u>

13 Deferred taxation

At 31st March 1986

Transfer to profit and loss account

At 31st March 1987

1,200	1,200	1,200	1,200
(150)	—	(150)	—
<u>1,050</u>	<u>1,200</u>	<u>1,050</u>	<u>1,200</u>

Deferred taxation provided is in respect of U.K. capital allowances

Potential amounts not provided:

Capital allowances

Capital gains on revalued properties

1,646	2,075	1,646	2,075
490	490	490	490
<u>2,136</u>	<u>2,565</u>	<u>2,136</u>	<u>2,565</u>

Plysu PLC and subsidiary companies

NOTES TO THE FINANCIAL STATEMENTS – £000's (continued)

14 Share capital of the company

Authorised

The resolution put to the annual general meeting of the company held on 22nd July 1986 to increase the authorised share capital of the company from £3,000,000 in ordinary shares of 10p each to £4,000,000 in ordinary shares of 10p each was duly passed.

Allotted and fully paid

At 31st March 1986 – 24,068,436 ordinary shares of 10p each

Capitalisation issue of 1 new share for every 2 held, made July 1986

At 31st March 1987 – 36,102,654 ordinary shares of 10p each

2,407

1,203

3,610

15. Reserves

	The Group		The Company	
	Revaluation reserve	Share premium	Revaluation reserve	Share premium
At 31st March 1986	632	982	632	982
Less: Appropriated for capitalisation issue	(221)	(982)	(221)	(982)
At 31st March 1987	411	—	411	—

16. Profit and loss account

At 31st March 1986	12,675	11,631
Add: Retained profit for the year	2,717	2,631
	15,392	14,312
Add: Exchange rate adjustments	267	—
At 31st March 1987	15,659	14,312

17. Capital commitments

	1987	1986	1987	1986
Contracted for but not provided	9,000	3,500	8,700	3,350
Authorised but not contracted for	3,000	2,000	3,000	2,000

Five year record – £000's

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

Years ended 31st March	1983	1984 1983 weeks	1985	1986	1987
Group Turnover					
UK					
Containers	15,300	18,212	19,146	22,720	26,299
Housewares	3,897	4,226	5,015	5,544	5,578
Other	860	874	801	983	1,070
	<u>20,057</u>	<u>23,312</u>	<u>24,962</u>	<u>29,247</u>	<u>32,947</u>
Holland	—	—	2,926	4,786	4,549
Total	<u>20,057</u>	<u>23,312</u>	<u>27,888</u>	<u>34,033</u>	<u>37,496</u>
Employee Profit Share Scheme allocation	—	100	75	90	100
Depreciation	<u>1,327</u>	<u>1,364</u>	<u>1,799</u>	<u>2,244</u>	<u>2,875</u>
Interest receivable	<u>147</u>	<u>241</u>	<u>224</u>	<u>223</u>	<u>172</u>
Group profits before tax	<u>2,652</u>	<u>3,307</u>	<u>3,872</u>	<u>4,567</u>	<u>5,410</u>
Total funds generated from operations	<u>3,934</u>	<u>4,586</u>	<u>5,648</u>	<u>6,784</u>	<u>8,287</u>
Expenditure on fixed assets and moulds	<u>1,491</u>	<u>2,455</u>	<u>3,984</u>	<u>5,112</u>	<u>7,285</u>
Earnings per share, adjusted for capitalisation issues	<u>4.2p</u>	<u>5.9p</u>	<u>6.5p</u>	<u>7.9p</u>	<u>9.7p</u>
Dividend per share, adjusted for capitalisation issues	<u>1.0p</u>	<u>1.2p</u>	<u>1.4p</u>	<u>1.8p</u>	<u>2.2p</u>
Shareholders' funds (being share capital and reserves)	<u>11,046</u>	<u>11,970</u>	<u>14,341</u>	<u>16,697</u>	<u>19,680</u>

