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# Annual Report 1988



COMPANIES REGISTRATION  
30 AUG 1988  
M OFFICE 21

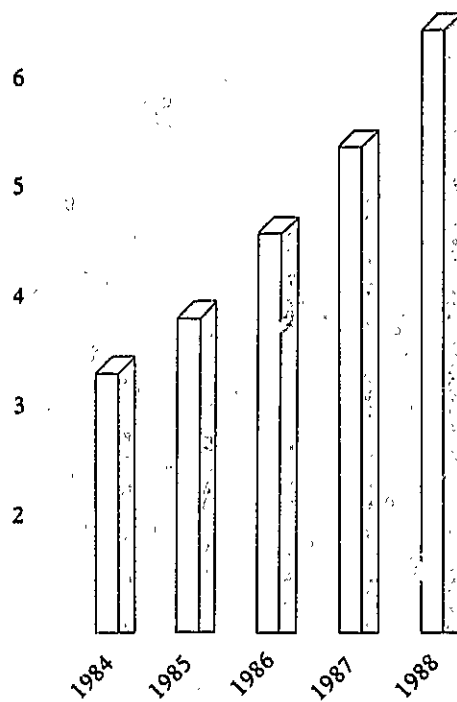
**Plysu plc**



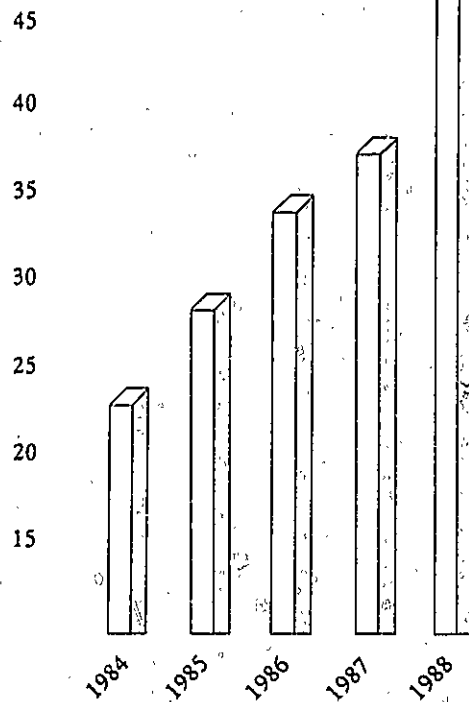
# Plysu PLC

## Performance record

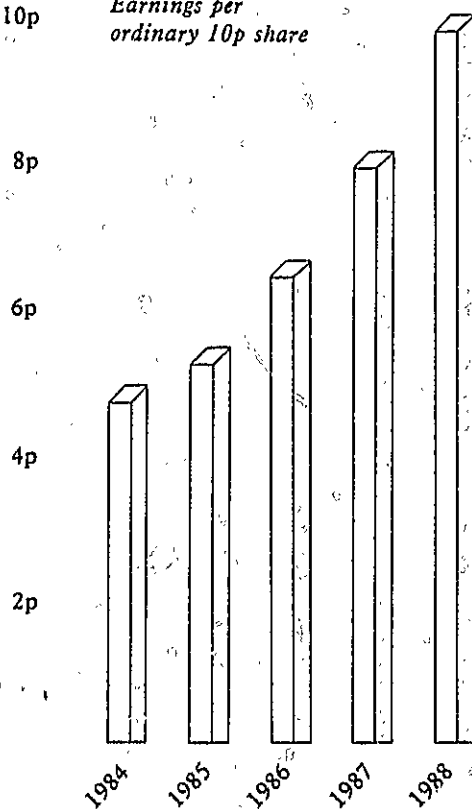
7 Profit before taxation £m



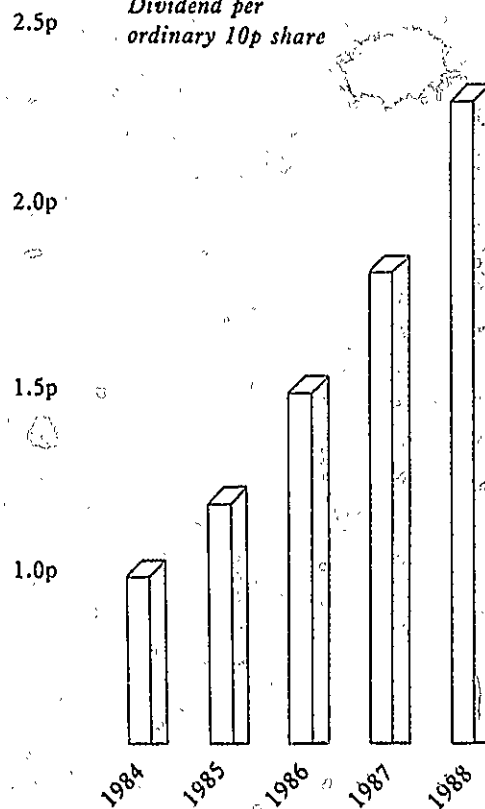
Turnover £m



10p Earnings per ordinary 10p share



2.5p Dividend per ordinary 10p share



# Plysu PLC

## Financial highlights - £000s

Year ended 31st March	1988	1987
Turnover	<u>46,835</u>	<u>37,496</u>
Profit before taxation	<u>6,511</u>	<u>5,410</u>
Dividend per share	<u>2.3p</u>	<u>1.83p</u>
Earnings per share	<u>9.9p</u>	<u>8.1p</u>

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COMPANIES REGISTRATION

30 AUG 1988

M OFFICE 21

## *Chairman's statement*

Pretax profits for the year grew by 20% to £6,511,000 on sales of £46,835,000 up by 25% on last year. These figures include an increased contribution from Holland on turnover similar to last year but with a much improved product mix.

The current financial year has begun well and we are looking forward to another good result in 1989.

Our northern factory is now working profitably and we are in production with 1 and 5 litre multilayer containers in Newport Pagnell. Our plans for 1988 include the addition of a warehouse at Littleborough and rebuilding part of the factory in Holland to allow us to operate much more efficiently. The Littleborough warehouse is needed urgently to accommodate weekend production resulting from continuous working. Confidence in the future of Housewares is reflected in our plans to build a new factory a few miles from Woburn Sands so that the expansion we anticipate in this division can be effectively accommodated.

We see a continuing growth in demand for our lightweight milk and juice containers and much of Woburn Sands production of these bottles will shortly be transferred to Newport Pagnell where the benefits of 7 days working can be enjoyed. Additional moulding capacity for this type of container is also planned and will come into use later in the year.



*James Summerlin with multiguard containers at the new plant in Newport Pagnell*

## Chairman's statement

We remain confident in the future for multilayer bottles and every effort will be made to ensure we maintain the lead we now enjoy in this field. So far we have concentrated on nylon barriers aimed at the agrochemical industry but there are many other markets that will open to us as a result of our research into different barrier materials. There are also exciting prospects for multilayer structures outside the area of barrier containers.

It is our good fortune to be in plastic packaging where developments in materials, manufacturing methods and end products appear limitless. It is essential we keep abreast of these developments and are ready to exploit new technologies quickly and effectively. It is also important that we continue to employ the most modern equipment and we are committed to a programme involving the expansion of moulding capacity in both Containers and Housewares including the replacement of older machines.

It is our intention to expand in Europe when the opportunity arises. Particularly we need to distribute our multilayer containers in the widest possible market.

We welcome Mr. Alan Brooker to the Board as a non-executive director. Alan was for many years chairman of Extel and brings with him a wealth of experience particularly in corporate affairs.

Once more I must record my appreciation of the contribution made by Plysu employees at all levels both in this country and in Holland. A great deal of extra effort has been needed to get Littleborough under way and build the Newport Pagnell factory. The reorganisation in Holland has also called for special endeavour. Much of our success derives from a loyal and enthusiastic workforce for which we should be duly grateful.

C. S. J. Summerlin

Chairman

25th May 1988

## Review of the year



*Richard Gordon  
Managing director*

### CONTAINERS

Our Containers operation which accounts for over 80% of the group's activities has enjoyed a brisk rate of expansion this year with UK sales up by over 30% in value. These activities cover the blow moulding in high density polyethylene of a wide range of containers for the packaging of liquids. Capacities range from 250ml up to 25L in the UK, and up to 210L in Holland. The containers can be coloured and decorated either by screen printing, labelling or by fitting with a printed sleeve.

The variety of liquids packaged in our containers is particularly diverse varying from milk and other foodstuffs to many types of chemicals. However, they cannot be used successfully to package certain volatile or solvent-based liquids which can permeate through the walls of this type of container. Our developments in the field of multilayer or barrier containers referred to below are planned to make significant inroads into this limitation.

The range of industries to which we supply our containers is equally extensive, but the development some five years back of our extra lightweight 4 pint retail consumer pack for milk and juice has led to the dairy industry becoming an important part of our business.

Whilst we have enjoyed good progress in all areas of our Containers sales during the year, the consumers' increasing preference to buy milk in our bulk pack, rather than the smaller cartons, has led to exceptional growth in this sector of our business and we have maintained our clear lead as supplier of this product in the UK.

The end of the year saw us starting to move into the first unit at Newport Pagnell which we will use for the bulk production of our new multilayer containers. This product, which we have been developing over the last three years, overcomes the problems of permeation by incorporating a layer of impervious material in the wall of the container. We anticipate that this development will open up significant new markets to us. Our initial production will be in a range of sizes between one litre and ten litres and is targeted at the packaging of agricultural chemicals. The lengthy period which potential customers need to trial the container means that the rate of growth for this product will be modest to begin with but we have high expectations for it in the medium term, particularly since we believe we have a lead on competitors both here and in Europe.

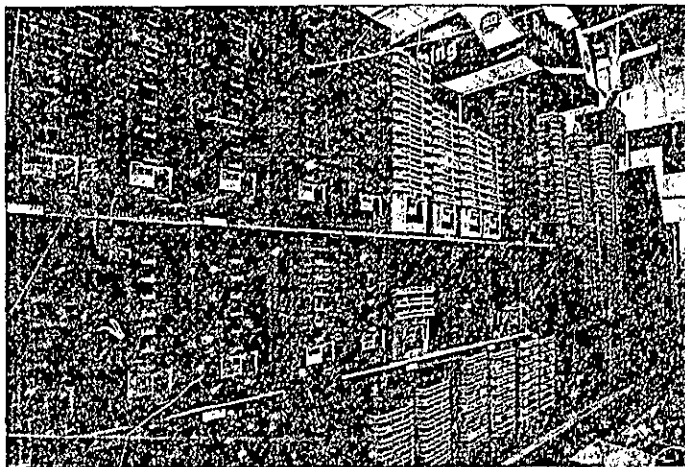
## Review of the year

We have continued the process of rationalising our product range in Holland. We have discontinued the less profitable activities and disposed of the redundant plant. Whilst there has not been a significant change in the overall level of sales during the year the change in product mix has much improved the Dutch subsidiary's profitability. We are now in the process of redeveloping the site to establish a far more efficient manufacturing unit into which we can introduce further parts of our UK range including in due course our new multilayer containers.

### HOUSEWARES

After a slow start sales of our range of plastics housewares rose by 30% in the second half largely as a result of the introduction of new products.

This business is quite different to Containers where we make to order. Here we offer an extensive range of plastics housewares and gardening products in a variety of colours ex-stock direct to the retail trade. The criteria for success are an expanding selection of attractive products sensibly priced and available when the customer wants them. This last point is particularly important as an



*Part of the Housewares range on display at a multiple retail outlet*

increasing volume of our trade is with multiple retail outlets who carry their stocks on their display shelves. Once emptied these shelves have to be replenished immediately otherwise expensive shelf space will produce no revenue.

We have had difficulty in maintaining the required service at these increased levels of sales so your Board has authorised the purchase of 6 acres near Bedford, some 12 miles from our base at Woburn

Sands, upon which we plan to build a new factory and purpose designed warehouse for occupation in early 1989. Although we are in a competitive industry we feel that the expenditure now planned for the expansion of Housewares will provide us with a satisfactory return and the potential to significantly increase our turnover.

## Review of the year

### INDUSTRIAL

This is the third but smallest leg of our business which manufactures protective clothing and other products by welding PVC sheeting with the energy generated by high frequency radio waves. It is in fact the original activity of the Company dating back to the immediate post war years. We operate in a small and very specialist segment of the protective clothing industry where a premium can be charged for our exceptional skills in design and manufacture.

Our clothing is used in high risk areas such as nuclear establishments, research units and work places where there is a problem with airborne contamination. Other of our products are used to protect machinery such as robotic slave arms and reciprocating shafts which are operated in difficult environments.

### MATERIALS

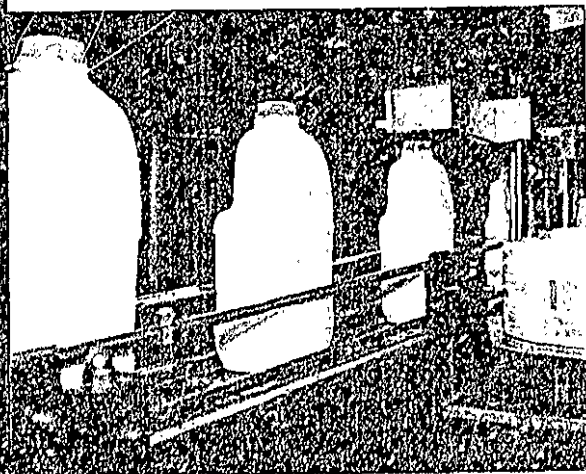
The supply of our main raw material, high density polyethylene, has become increasingly difficult during the year. Modest returns to producers of this material in recent years, whilst supply seriously exceeded demand, have resulted in a shortfall in investment in additional capacity which is only now being corrected. We expect the difficulty to start to ease by the end of this year but it is unlikely that it will disappear for some time.

Containers has been particularly affected by increased material costs which have gone up in some cases by over 40% and we estimate that about one third of the containers sales increase of 30% is attributable to price increases.

### INVESTMENT

The main thrust of our £20m investment programme over the last two years has been to increase our capacity for containers production, much of the investment going into Littleborough and Newport Pagnell. A part of Littleborough and one of the three units at Newport Pagnell are being devoted to the production of lightweight milk containers and have been established on the basis of continuous operation, working non-stop seven days a week. Whilst labour rates have to be higher for this style of operation these are both capital intensive plants which are more profitably run in this manner.

Housewares has also enjoyed the benefit of record levels of investment in moulds for new products and additional machinery to meet the increased demand.



*Plysu has a clear lead as a supplier of 4 pint milk containers*

It is our policy to maintain a high level of investment in the latest technology in our spheres of activity and to continue to increase our productivity through improved methods.

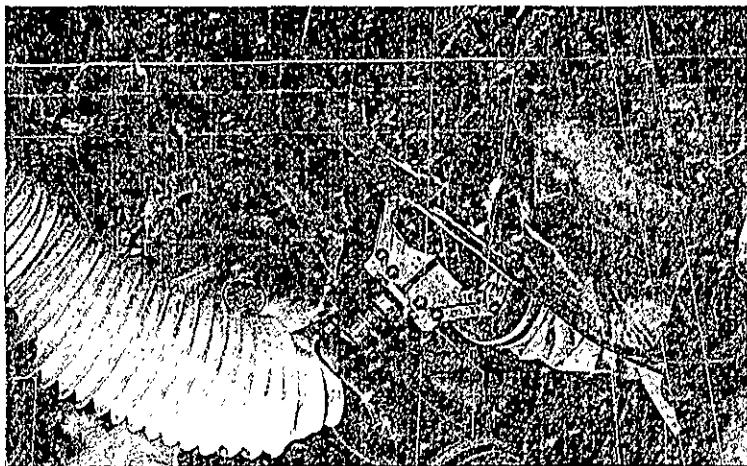


## Review of the year

### EMPLOYEES

Plysu is an amalgamation of skilled and semi-skilled personnel, all of whom have contributed handsomely during the past year. To the 1,000 who now work here at Woburn Sands and the 70 who work for us in Holland we have welcomed 150 at Littleborough who are in the main new employees picking up new skills.

The growth of activities onto a number of sites is putting a strain on our technical resources and so we are urgently reviewing our recruitment and career development policies in this and other key areas.



*Plysu clothing and products are used to protect people and machinery operating in difficult environments.*

We consider it important to involve employees in the success of the company so we are pleased to have 141 employees in our SAYE Scheme and 747 employees as shareholders under the terms of the company's Employee Profit Share Scheme, the contribution to which has been increased to £145,000 this year.

### RESULTS FOR THE YEAR

We are a volume based

business and the results for the year show the effect of a substantial increase in volume made possible by capital expenditure in the recent past. The capital spend of £12,917,000 during the year has resulted in our having to borrow money for the first time for some years, but the level of borrowing is modest in relation to shareholders' funds and the charge of £260,000 against profits for interest paid is not unduly onerous in relation to the potential benefits of this capital expenditure.

Taxation at £2,229,000 again takes approximately 35% of the pre-tax profit and leaves the profit after tax figure of £4,282,000 some 22% higher than last year.

The directors are recommending a final dividend of 1.65p per share which will increase the total for the year by 25.7% over 1987.

Earnings have increased by 22% to 7.9p per share.

Richard Gordon  
Managing director  
25th May 1988

## *Directors and officers*

### **Directors**

	Age	Year of appointment
Charles Sidney James Summerlin (Chairman)	69	1945
Richard Edward Gordon CA (Managing director)	51	1969
Jonathan Robert Hill (Engineering director)	44	1985
Malcolm Valentine Strickland Macintyre CEng (Production director)	45	1982
Stephen Spencer Nobbs FCA (Financial director)	39	1987
Maxwell James Summerlin (Sales director)	43	1982
Alan Bernard Brooker FCA (Non-executive director)	56	1988
Brian Horace Lewis (Non-executive director)	63	1983

### **Secretary**

Noel Anthony Slocock

### **Auditors**

Peat Marwick McLintock

### **Registered Office**

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

### **Registrars and Transfer Office**

Ravensbourne Registration Services 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 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 11.45am until the conclusion of the meeting.

There are no service contracts with the directors.

## Report of the directors

The directors have pleasure in submitting their annual report and financial statements for the year ended 31st March 1988.

### Dividends and group profit

The directors recommend that a final dividend of 1.65p per share be paid on 21st July 1988 making, with the interim of 0.65p per share paid on 29th January 1988, a total of 2.30p per share for the year.

Dividends account for £996,000 of the profit on ordinary activities after taxation and the remaining £3,286,000 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

The resolutions concerning increases in the authorised and issued share capital submitted to the annual general meeting in July 1987 were duly passed. Details of these increases are given in note 15 to the financial statements.

### Employee share schemes

There are three schemes under which employees may have an interest in the share capital of the company. All figures have been adjusted for the capitalisation issue in July 1987.

#### (a) Plysu Employee Profit Share Scheme:

The Trustees applied last year's allocation to the scheme in the purchase of 44,885 ordinary shares bringing the total number of shares now held in trust for employees to 342,427. The amount allocated to the scheme this year is £145,000 (1987—£100,000).

#### (b) Plysu Savings-Related Share Option Scheme (SAYE Scheme):

During the year the company has granted options to employees under the terms of this Scheme on 57,998 shares exercisable after five or seven years at an option price of 180p each. The total of options granted at 31st March, 1988 was on 277,582 shares at option prices between 63.61p and 180p.

#### (c) Plysu Executive Share Option Scheme (ESO Scheme):

There were no options granted during the year and the total outstanding at 31st March 1988 was on 523,800 ordinary shares at an option price of 148.33p each.

## *Report of the directors*

### **Directors**

The names of the directors during the year are set out on page 8. Their interests in the ordinary shares of the company at 31st March 1988 and 25th May 1988 were as follows:

All figures have been adjusted for the capitalisation issue in July 1987.

	1988	1987
C. S. J. Summerlin	3,130,946	3,265,946
C. S. J. Summerlin (non-beneficial)	1,075,788	1,075,788
R. E. Gordon	2,026,226	936,227
R. E. Gordon (non-beneficial)	885,574	836,224
J. R. Hill	—	—
M. V. S. Macintyre	3,266	3,266
S. S. Nobbs	6,000	—
M. J. Summerlin	1,012,790	1,022,790
A. B. Brooker	—	—
		(on appointment)
B. H. Lewis	3,600	3,600

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

	Option price (adjusted for capitalisation issue)	Last exercise date		
<b>SAYE Scheme</b>				
R. E. Gordon	63.61p	1991	6,906	6,906
R. E. Gordon	80.00p	1992	5,498	5,498
J. R. Hill	113.33p	1993	3,882	3,882
M. V. S. Macintyre	113.33p	1991	3,264	3,264
<b>ESO Scheme</b>				
J. R. Hill	148.33p	1997	60,000	60,000
M. V. S. Macintyre	148.33p	1997	60,000	60,000
S. S. Nobbs	148.33p	1997	24,000	24,000

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

Barclaytrust Channel Islands Limited	3,965,250 (9.2%)	5,161,650 (11.9%)
Scottish Amicable Investment Managers Limited	2,586,464 (6.0%)	2,556,464 (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.

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 £3,000 (1987 £4,000).

## Report of the directors

### 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.

### Auditors

The auditors, Peat Marwick McLintock, are willing to continue in office and a resolution concerning their reappointment and remuneration will be submitted to the annual general meeting.

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

By order of the board  
N. A. SLOCOCK  
Secretary  
25th May 1988

*N. A. Slocock*

## Report of the auditors

### TO THE MEMBERS OF PLYSU PLC

We have audited the financial statements on pages 12 to 21 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 as at 31st March 1988 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*

PEAT MARWICK McLINTOCK  
Chartered accountants  
London  
25th May 1988

# Accounts

## CONSOLIDATED PROFIT AND LOSS ACCOUNT — £000s For the year ended 31st March 1988

	Notes	1988	1987
Turnover	1	46,835	37,496
Cost of sales		(32,745)	(25,803)
Gross profit		14,090	11,693
Distribution costs	(2,905)		(2,430)
Administration costs	(4,427)		(4,025)
		(7,332)	(6,455)
Trading profit	2-4	6,758	5,238
Interest receivable	13		172
Interest payable	5	(260)	—
		(247)	172
Profit on ordinary activities before taxation		6,511	5,410
Taxation on profit on ordinary activities	6	(2,229)	(1,899)
Profit on ordinary activities after taxation attributable to members of Plysu PLC		4,282	3,511
Appropriated for dividends paid and proposed	7	(996)	(794)
Retained profit for the year		3,286	2,717
Earnings per fully paid ordinary share	8	9.9p	8.1p
Retained profit for the year has been added to the balance of the profit and loss account in:			
The company		2,984	2,631
Subsidiary companies		302	86
	17	3,286	2,717

*Accounts*

**CONSOLIDATED BALANCE SHEET — £000s**  
As at 31st March 1988

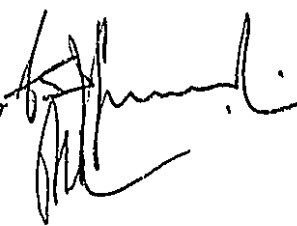
	<i>Notes</i>	<b>1988</b>	<b>1987</b>
<b>Fixed assets</b>			
<i>Tangible assets</i>	<i>9</i>	28,407	19,419
<b>Current assets</b>			
<i>Stocks</i>	<i>11</i>	3,620	2,624
<i>Debtors</i>	<i>12</i>	10,608	7,361
<i>Cash</i>		113	385
		<u>14,341</u>	<u>10,370</u>
<b>Creditors</b>			
<i>Amounts falling due within one year</i>	<i>13</i>	<u>(13,309)</u>	<u>(9,059)</u>
<b>Net current assets</b>		<u>1,032</u>	<u>1,311</u>
<b>Total assets less current liabilities</b>		29,439	20,730
<b>Creditors</b>			
<i>Amounts falling due after more than one year</i>	<i>13</i>	(5,000)	—
<b>Provisions for liabilities and charges</b>			
<i>Deferred taxation</i>	<i>14</i>	<u>(1,550)</u>	<u>(1,050)</u>
		<u>22,889</u>	<u>19,680</u>
<b>Capital and reserves</b>			
<i>Called up share capital</i>	<i>15</i>	4,332	3,610
<i>Revaluation reserve</i>	<i>16</i>	—	411
<i>Profit and loss account</i>	<i>17</i>	<u>18,557</u>	<u>15,659</u>
		<u>22,889</u>	<u>19,680</u>

## Plysu PLC

**Accounts****BALANCE SHEET — £000s**  
As at 31st March 1988

	Notes	1988	1987
<b>Fixed assets</b>			
<i>Tangible assets</i>	9	27,273	18,075
<i>Investments</i>	10	207	207
		<u>27,480</u>	<u>18,282</u>
<b>Current assets</b>			
<i>Stocks</i>	11	3,252	2,348
<i>Debtors</i>	12	9,072	6,621
<i>Cash</i>		—	460
		<u>12,324</u>	<u>9,429</u>
<b>Creditors</b>			
<i>Amounts falling due within one year</i>	13	<u>(11,938)</u>	<u>(8,328)</u>
<b>Net current assets</b>		<u>386</u>	<u>1,101</u>
<b>Total assets less current liabilities</b>		27,866	19,383
<b>Creditors</b>			
<i>Amounts falling due after more than one year</i>	13	(5,000)	—
<b>Provisions for liabilities and charges</b>			
<i>Deferred taxation</i>	14	<u>(1,550)</u>	<u>(1,050)</u>
		<u>21,316</u>	<u>18,333</u>
<b>Capital and reserves</b>			
<i>Called up share capital</i>	15	4,332	3,610
<i>Revaluation reserve</i>	16	—	411
<i>Profit and loss account</i>	17	16,984	14,312
		<u>21,316</u>	<u>18,333</u>

C. S. J. SUMNERLIN, *Director*  
R. E. GORDON, *Director*  
25th May 1988





Accounts

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION  
OF FUNDS — £000s

For the year ended 31st March 1988

	1988	1987
<b>Source of funds</b>		
<i>Profit on ordinary activities before taxation</i>	6,511	5,410
<i>Adjustment for items not involving the movement of funds:</i>		
<i>Depreciation and other amounts written off</i>	3,164	2,877
<i>Total generated from operations</i>	9,675	8,287
<i>Funds from other sources:</i>		
<i>Proceeds of sale of fixed tangible assets</i>	686	62
<i>Exchange differences</i>	2	36
<i>Medium term loan received</i>	5,000	—
<i>Total funds generated</i>	15,363	8,385
<b>Application of funds</b>		
<i>Dividends paid</i>	842	691
<i>Tax paid</i>	1,587	1,549
<i>Purchase of fixed tangible assets</i>	12,917	7,285
	15,346	9,525
<b>Net source/(application) of funds</b>	17	(1,140)
<b>Represented by:</b>		
<i>Reduction in cash</i>	(819)	(988)
<i>Increases in stocks</i>	996	53
<i>debtors</i>	3,216	615
<i>creditors</i>	(3,376)	(820)
	836	(152)
	17	(1,140)

## Accounts

### 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 1988 which occurred before 25th May 1988, 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 1988 and of the results for the year ended on that date. The financial statements were adopted by the Board on 25th May 1988.

#### 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 1988 for companies incorporated in the U.K. and 31st December 1987 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 the 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 profits of the subsidiary companies in Holland are 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 three years; the last valuation was as at 1st April 1987.

#### 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.

Accounts

NOTES TO THE FINANCIAL STATEMENTS — £000s

<b>1. Turnover</b>	1988	1987
<i>Turnover and profit therefrom emanate from processing of plastics materials. Profits arise mainly from trading activities in the U.K.</i>		
<i>Turnover: U.K.</i>	42,200	32,947
<i>Holland</i>	4,635	4,549
	<u>46,835</u>	<u>37,496</u>
<b>2. Trading profit</b>		
<i>Stated after charging:</i>		
<i>Depreciation of fixed tangible assets</i>	3,435	2,875
<i>Auditors' remuneration</i>	34	32
<i>Contribution to Employee Profit Share Scheme</i>	145	100
	<u>3,614</u>	<u>3,007</u>
<b>3. Staff costs (including directors' emoluments)</b>		
<i>Wages and salaries</i>	10,496	8,886
<i>Social security costs</i>	939	831
<i>Company's contribution to employees' pension funds</i>	382	560
	<u>11,817</u>	<u>10,277</u>
<i>Average number of employees involved in:</i>	numbers	numbers
<i>Production</i>	895	793
<i>Administration, sales and distribution</i>	229	216
	<u>1,124</u>	<u>1,009</u>
<b>4. Directors' emoluments</b>		
<i>Fees</i>	12	11
<i>Emoluments, including pension contributions</i>	274	241
	<u>286</u>	<u>252</u>
<i>The emoluments, excluding pension contributions, of:</i>		
<i>The chairman</i>	45	45
<i>The highest paid director</i>	62	55
<i>The number of other directors whose emoluments, excluding pension contributions, fell in each £5,000 bracket was as follows:</i>	numbers	numbers
<i>£0 - £5,000</i>	1	—
<i>£5,001 - £10,000</i>	1	2
<i>£10,001 - £15,000</i>	2	3
<i>£15,001 - £20,000</i>	2	—
<b>5. Interest payable</b>		
<i>Interest on overdrafts and bank loan</i>	260	—
<b>6. Taxation on profit for the year on ordinary activities</b>		
<i>U.K. corporation tax at 35% (1987 - 35%)</i>	1,665	2,015
<i>Overseas tax</i>	64	34
	<u>1,729</u>	<u>2,049</u>
<i>Transfer to/(from) deferred tax</i>	500	(150)
	<u>2,229</u>	<u>1,899</u>

# Accounts

## NOTES TO THE FINANCIAL STATEMENTS — £000s

NOTES TO THE FINANCIAL STATEMENTS — £000s

	1988	1987	
<b>7. Dividends on the fully paid ordinary shares</b>			
<i>Interim of 0.65p (0.54p) paid 29th January 1988</i>	282	234	
<i>Proposed final of 1.65p (1.29p) payable 20th July 1988</i>	714	560	
	<u>996</u>	<u>794</u>	
<i>The rates of dividends in 1987 have been adjusted for the capitalisation issue in July 1987</i>			
<b>8. Earnings per share</b>			
<i>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. (The figure for 1987 has been adjusted for the capitalisation issue in July 1987.)</i>			
	<u>9.9p</u>	<u>8.1p</u>	
<b>9. Fixed tangible assets</b>			
<b>Group</b>	Freehold land and buildings	Plant and machinery	Total
Cost or valuation			
At 31st March 1987	5,741	28,508	34,249
Exchange rate adjustments	(30)	(279)	(309)
Additions	2,427	10,490	12,917
Disposals	—	(1,290)	(1,290)
At 31st March 1988	<u>8,138</u>	<u>37,429</u>	<u>45,567</u>
Depreciation			
At 31st March 1987	(410)	(14,420)	(14,830)
Exchange rate adjustments	—	230	230
Charge for year	(82)	(3,353)	(3,435)
Disposals	—	875	875
At 31st March 1988	<u>(492)</u>	<u>(16,668)</u>	<u>(17,160)</u>
Net book value			
At 31st March 1987	<u>5,331</u>	<u>14,088</u>	<u>19,419</u>
At 31st March 1988	<u>7,646</u>	<u>20,761</u>	<u>28,407</u>
<b>Company</b>			
Cost or valuation			
At 31st March 1987	5,316	24,509	29,825
Additions	2,427	10,045	12,472
Disposals	—	(345)	(345)
At 31st March 1988	<u>7,743</u>	<u>34,209</u>	<u>41,952</u>
Depreciation			
At 31st March 1987	(408)	(11,342)	(11,750)
Charge for year	(81)	(3,008)	(3,089)
Disposals	—	160	160
At 31st March 1988	<u>(489)</u>	<u>(14,190)</u>	<u>(14,679)</u>
Net book value			
At 31st March 1987	<u>4,908</u>	<u>13,167</u>	<u>18,075</u>
At 31st March 1988	<u>7,254</u>	<u>20,019</u>	<u>27,273</u>

## Accounts

9. Fixed tangible assets (continued)	1988	1987
<i>Details of revalued assets of the group are:</i>		
<i>Land and buildings at 1978 valuation</i>	2,895	2,695
<i>Aggregate depreciation thereon</i>	(402)	(362)
<i>Net book value</i>	<u>2,493</u>	<u>2,333</u>
<i>Historical cost of revalued assets</i>	1,381	1,381
<i>Aggregate depreciation based thereon</i>	(349)	(323)
<i>Net book value based on historical cost</i>	<u>1,032</u>	<u>1,058</u>

### 10. Fixed asset investments

#### Company

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

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

Name	Business
Incorporated in Great Britain	
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.

Incorporated in Holland

Plysu BV	} Manufacture and sale of moulded plastics containers for industrial use.
Plysu Europe BV	

	The Group		The Company	
	1988	1987	1988	1987
11. Stocks				
<i>Raw materials and consumables</i>	2,458	1,696	2,240	1,532
<i>Work in progress</i>	200	151	200	151
<i>Finished goods</i>	962	777	812	665
	<u>3,620</u>	<u>2,624</u>	<u>3,252</u>	<u>2,348</u>

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

### 12. Debtors

Due within one year:

<i>Trade debtors</i>	9,727	7,015	—	—
<i>Amounts owed by subsidiaries</i>	—	—	8,255	6,376
<i>Other debtors</i>	599	93	563	19
<i>Prepayments and accrued income</i>	44	42	15	19
	<u>10,370</u>	<u>7,154</u>	<u>8,834</u>	<u>6,414</u>

Due after one year:

<i>Deferred ACT</i>	238	207	238	207
	<u>10,608</u>	<u>7,361</u>	<u>9,072</u>	<u>6,621</u>

# Accounts

## NOTES TO THE FINANCIAL STATEMENTS — £000s

	The Group		The Company	
	1988	1987	1988	1987
<b>13. Creditors</b>				
Amounts falling due within one year:				
Trade creditors	8,004	5,284	6,874	4,690
Bank overdraft (unsecured)	584	37	522	—
Amount due to subsidiaries	—	—	77	77
Tax and social security	3,284	2,763	3,064	2,626
Other creditors	723	415	687	375
Proposed dividend	714	560	714	560
	<u>13,309</u>	<u>9,059</u>	<u>11,938</u>	<u>8,328</u>
Amounts falling due after more than one year:				
Bank loan repayable between two and five years (unsecured)	<u>5,000</u>	<u>—</u>	<u>5,000</u>	<u>—</u>
<b>14. Deferred taxation</b>				
At 31st March 1987	1,050	1,200	1,050	1,200
Transfer from/(to) profit and loss account:				
Accelerated capital allowances	350	(150)	350	(150)
Short term timing difference	<u>150</u>	<u>—</u>	<u>150</u>	<u>—</u>
At 31st March 1988	<u>1,550</u>	<u>1,050</u>	<u>1,550</u>	<u>1,050</u>
Potential amounts not provided:				
Capital allowances	1,630	1,646	1,630	1,646
Capital gains on revalued properties	<u>—</u>	<u>490</u>	<u>—</u>	<u>490</u>
	<u>1,630</u>	<u>2,136</u>	<u>1,630</u>	<u>2,136</u>
<b>15. Share capital of the company</b>				
Authorised				
The resolution put to the annual general meeting of the company held on 22nd July 1987 to increase the authorised share capital of the company from £4,000,000 in ordinary shares of 10p each to £4,750,000 in ordinary shares of 10p each was duly passed.				
Allotted and fully paid				
At 31st March 1987—36,102,654 ordinary shares of 10p			3,610	
Capitalisation issue of 1 new share for every 5 held, made July 1987			<u>722</u>	
At 31st March 1988—43,323,185 ordinary shares of 10p			<u>4,332</u>	

# Accounts

## 16. Revaluation reserve

	The Group 411	The Company 411
At 31st March 1987		
Less: Appropriated for capitalisation issue	(411)	(411)
At 31st March 1988	—	—

## 17. Profit and loss account

At 31st March 1987	15,659	14,312
Less: Appropriated for capitalisation issue	(311)	(311)
Add: Retained profit for the year	3,286	2,984
	18,634	16,985
Less: Exchange rate adjustments	(77)	(1)
At 31st March 1988	18,557	16,984

## 18. Future capital expenditure

Capital expenditure authorised by the directors and not provided for in the accounts

	1988	1987	1988	1987
Committed	4,800	9,000	3,900	8,700
Not yet committed	3,200	3,000	2,900	3,000

## Notice of meeting

Notice is hereby given that the 41st annual general meeting of Plysu PLC will be held at The Brewery Conference Centre, Chiswell Street, London. EC1 at 12.15pm on 20th July 1988 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 1988.
2. To confirm the interim dividend of 0.65p per share paid on 29th January 1988 and to approve the proposed final dividend of 1.65p per share payable 21st July 1988.
3. To re-elect directors:
  - (a) Mr. B.H. Lewis retires in accordance with the articles of association and offers himself for re-election.
  - (b) Mr. A. B. Brooker, who was appointed a non-executive director on 23rd March 1988, offers himself for re-election.
4. To consider and if thought fit to pass the following resolutions, resolution (a) will be proposed as an ordinary resolution and resolution (b) as a special resolution:
  - (a) 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 £417,681.50 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.
  - (b) That subject to the passing of resolution (a) 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 (a) 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 interest 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 (i) 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.
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 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.

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

By order of the board  
N.A. SLOCOCK  
Secretary  
27th June 1988





## Form of proxy for use at the Annual General Meeting 1988

I/We (please use block capitals) \_\_\_\_\_

of \_\_\_\_\_  
being (a) member(s) of Plysu PLC hereby appoint \* the chairman of the meeting  
\* or \_\_\_\_\_ as my/our proxy to vote for me/us  
on my/our behalf at the Annual General Meeting to be held on 20th July 1988  
and at any adjournment thereof.

In the event of a poll I/we direct my/our votes to be cast as follows:

- (1) To adopt the report and financial statements .....
- (2) To confirm and approve the dividends as recommended....
- (3) (a) To re-elect Mr. B. H. Lewis a director.....
- (b) To re-elect Mr. A. B. Brooker a director.....
- (4) (a) To approve the ordinary resolution.....
- (b) To approve the special resolution.....
- (5) To appoint auditors and to authorise the directors to fix  
their remuneration .....

FOR	AGAINST

\*If it is desired to appoint another person as proxy, please delete the words between the asterisks, insert the name of such other person and initial the alteration. A proxy need not also be a member of the company.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 1988

Signature \_\_\_\_\_

### Notes

- (1) Unless otherwise instructed, the proxy will vote or abstain as he thinks fit in respect of the members total holding.
- (2) To be effective, this proxy, duly completed, must be deposited at the registered office of the company, 120 Station Road, Woburn Sands, Milton Keynes, Bucks. MK17 8SE, not less than 48 hours before the meeting.
- (3) If the shareholder is a corporation, this proxy should be under its common seal or signed on its behalf by a duly authorised attorney or officer of the corporation.
- (4) In the case of joint holdings only one holder need sign but the names of all joint holders should be given.

FOLD

The Secretary,  
PLYSU PLC,  
120 Station Road,  
Woburn Sands,  
Milton Keynes,  
Bucks. MK17 8SE.

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# Plysu PLC

## Five year record - £000s

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

Years ended 31st March	1984 (53 weeks)	1985	1986	1987	1988
<i>Group turnover</i>					
<i>UK</i>					
Containers	18,212	19,146	22,720	26,299	34,100
Housewares	4,226	5,015	5,544	5,578	6,691
Other	874	801	983	1,070	1,409
	<u>23,312</u>	<u>24,962</u>	<u>29,247</u>	<u>32,947</u>	<u>42,200</u>
<i>Holland</i>	—	2,926	4,786	4,549	4,635
<i>Total</i>	<u>23,312</u>	<u>27,888</u>	<u>34,033</u>	<u>37,496</u>	<u>46,835</u>
 <i>Employee Profit Share Scheme allocation</i>	 <u>100</u>	 <u>75</u>	 <u>90</u>	 <u>100</u>	 <u>145</u>
 <i>Depreciation</i>	 <u>1,364</u>	 <u>1,799</u>	 <u>2,244</u>	 <u>2,875</u>	 <u>3,435</u>
 <i>Interest payable/(receivable)</i>	 <u>(241)</u>	 <u>(224)</u>	 <u>(223)</u>	 <u>(172)</u>	 <u>247</u>
 <i>Group profit before tax</i>	 <u>3,307</u>	 <u>3,872</u>	 <u>4,567</u>	 <u>5,410</u>	 <u>6,511</u>
 <i>Total funds generated from operations</i>	 <u>4,586</u>	 <u>5,648</u>	 <u>6,784</u>	 <u>8,287</u>	 <u>9,675</u>
 <i>Expenditure on fixed assets and moulds</i>	 <u>2,455</u>	 <u>3,984</u>	 <u>5,112</u>	 <u>7,285</u>	 <u>12,917</u>
 <i>Earnings per share, adjusted for capitalisation issues</i>	 <u>4.9p</u>	 <u>5.4p</u>	 <u>6.6p</u>	 <u>8.1p</u>	 <u>9.9p</u>
 <i>Dividend per share, adjusted for capitalisation issues</i>	 <u>1.0p</u>	 <u>1.2p</u>	 <u>1.5p</u>	 <u>1.83p</u>	 <u>2.3p</u>
 <i>Shareholders' funds (being share capital and reserves)</i>	 <u>11,970</u>	 <u>14,341</u>	 <u>16,697</u>	 <u>19,680</u>	 <u>22,889</u>