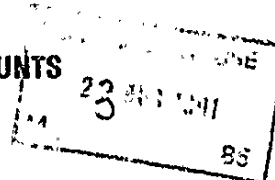


EX-5.28

DU PONT (UK) LIMITED

DIRECTORS' REPORT AND ACCOUNTS

14 DECEMBER 1990



## **DU PONT (UK) LIMITED**

### **DIRECTORS' REPORT**

The directors of Du Pont (UK) Limited present their annual report together with the audited financial statements of the company for the period ended 14 December 1990.

#### **DIRECTORS AND DIRECTORS' INTERESTS**

The following directors served during the period and up to the date of this report:

PH McKie	-	Chairman
PE McMenemy	-	resigned 28 February 1991
GI Jenkins	-	appointed 7 September 1990
AP Strong	-	appointed 1 June 1990
RG Tipton	-	appointed 1 June 1990
LD Dunn	-	resigned 31 August 1990
PS Higginbotham	-	resigned 15 June 1990
BE Wootton	-	resigned 1 July 1990
DS Billett	-	appointed 1 March 1991

None of the directors had a beneficial interest in any contract to which the Company was a party during the period.

None of the directors had a beneficial shareholding in the Company or any other Company in the UK group at any time during the period.

#### **BUSINESS REVIEW**

The Company's basic business activity is the manufacture and sale of chemical products. The business encompasses fibres, polymers, agricultural products, electronics, imaging systems and medical products.

During the course of the year under review the Company acquired a further 2% interest in Du Pont Fuel Systems Limited, giving a majority holding of 87% at the year end. The Company also subscribed for a further 1,200,000 shares of £1 each in IDAC UK Limited on 30 November 1990.

On 15 December 1990 the Company sold its pharmaceuticals and imaging agents business and assets to Du Pont Pharmaceuticals Limited, a wholly owned subsidiary of the Du Pont Merck Pharmaceutical Company Inc, a joint venture between El Du Pont de Nemours & Company and Merck & Co. Inc.

On 27 February 1991 the Company agreed to sell, subject to the necessary approvals, its Aldyl polyethylene gas pipe and fittings business to Uponor Aldyl Limited, a joint venture between Oy Uponor AB and Neste Oy, two Finnish companies.

#### **RESULTS AND DIVIDEND**

The profit after taxation for the financial period ended 14 December 1990 amounted to £36,268,000 (1989 - £20,411,000) which will be added to reserves.

No final dividend is proposed for the current year (an interim dividend of £56,000,000 was paid in 1989).

## **DU PONT (UK) LIMITED**

### **DIRECTORS' REPORT** (continued)

#### **RESEARCH AND DEVELOPMENT**

The Company's research and development programmes are primarily focused on the extension of existing product lines, quality improvements and cost reduction.

#### **FUTURE DEVELOPMENTS**

The directors consider that the Company's business should continue to do well in 1991.

#### **FIXED ASSETS**

Additions to fixed assets during the period amounted to £66,467,000 (1989 - £45,029,000). Additions primarily represent the continuing investment in production plants at Maydown in Northern Ireland.

The directors are of the opinion that the net book amount of fixed assets is not less than their market value.

#### **PERSONNEL**

It is the Company's policy to continue to encourage full and fair consideration of disabled persons in connection with employment, training, career development and promotion opportunities.

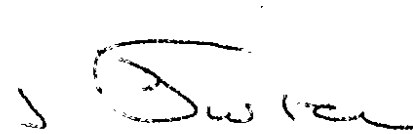
The Company continues to provide its employees with regular information through its newspaper and magazines, bulletins, handbooks, videos and other internal communications. Additionally, managers keep employees specifically informed and consult them on those aspects of the business which affect them directly. The Company believes that such information and consultation enables employees to maximise their individual contributions towards the common aims of the business and to obtain maximum satisfaction from their participation.

#### **AUDITORS**

The auditors, Price Waterhouse, have indicated their willingness to be re-appointed.

By Order of the Board

PA Turton  
Secretary



12 May 1991

Registered office:

Wedgwood Way  
Stevenage  
Hertfordshire  
SG1 4QN

*Price Waterhouse*



**AUDITORS' REPORT TO THE MEMBERS OF  
DU PONT (UK) LIMITED**

We have audited the accounts on pages 4 to 17 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of the Company's affairs at 14 December 1990 and of its profit and source and application of funds for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

Chartered Accountants

12 May 1991

# DU PONT (UK) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 14 DECEMBER 1990

	<u>Notes</u>	<u>Period ended</u> <u>14 December 1990</u>		<u>Period ended</u> <u>15 December 1989</u>	
		£'000	£'000	£'000	£'000
<b>TURNOVER</b>	15		579,257		509,506
<b>COST OF SALES</b>			(432,012)		(395,789)
<b>GROSS PROFIT</b>			147,245		113,717
Distribution costs		(15,289)		(14,555)	
Administrative expenses		(48,237)		(46,786)	
Other operating expenses		(21,311)		(18,513)	
Interest receivable		2,009		599	
Interest payable		(26,392)		(11,400)	
Exchange (losses)/gains		(4,161)		1,717	
			(113,381)		(88,938)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	2		33,864		24,779
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	3		2,404		(4,338)
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>			36,268		20,411
<b>DIVIDEND PAID</b>					(56,000)
<b>PROFIT AND LOSS ACCOUNT BROUGHT FORWARD</b>			106,599		142,188
<b>PROFIT AND LOSS ACCOUNT CARRIED FORWARD</b>			142,867		106,599

The notes on pages 7 to 17 form part of these accounts.

# DU PONT (UK) LIMITED

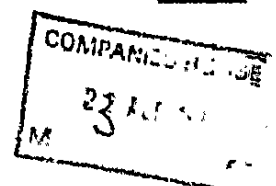
## BALANCE SHEET - 14 DECEMBER 1990

	Notes	14 December 1990		15 December 1989	
		£'000	£'000	£'000	£'000
<b>FIXED ASSETS</b>					
Intangible assets	4		78		464
Tangible assets	5		215,554		174,567
Investments	7		15,381		12,141
			231,013		187,172
<b>CURRENT ASSETS</b>					
Stocks	8	78,369		84,571	
Debtors	9	158,131		103,575	
Cash at bank and in hand		2,205		918	
			238,785		189,064
<b>CREDITORS (amounts falling due within one year)</b>	10	(75,724)		(67,235)	
<b>NET CURRENT ASSETS</b>			163,061		121,829
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			394,074		309,001
<b>CREDITORS (amounts falling due after more than one year)</b>	11		(200,000)		(149,000)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>	12		(1,946)		(1,376)
<b>ACCRUALS AND DEFERRED INCOME</b>	13		(31,487)		(34,252)
			160,641		124,373
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		12,364		12,364
Share premium account			5,410		5,410
Profit and loss account			142,867		106,599
			160,641		124,373

Approved by the Board on 12 May 1991

PH McKie *PH McKie* ) Directors  
RG Tipton *RG Tipton* )

The notes on pages 7 to 17 form part of these accounts.



# DU PONT (UK) LIMITED

## STATEMENT OF SOURCE AND APPLICATION OF FUNDS FOR THE PERIOD ENDED 14 DECEMBER 1990

	14 December 1990		15 December 1989	
	£'000	£'000	£'000	£'000
<b>FUNDS GENERATED BY OPERATIONS</b>				
Profit on ordinary activities before taxation		33,864		24,779
Adjustment for items not involving the movement of funds:				
Depreciation	24,142		21,044	
Capital grants credited	(5,635)		(5,032)	
Amortisation of intangible assets	<u>386</u>		<u>549</u>	
		<u>18,893</u>		<u>16,561</u>
		52,757		41,340
<b>FUNDS FROM OTHER SOURCES</b>				
Capital grants received	2,870		1,512	
Loan from Du Pont Financial Holdings	51,000		149,000	
Disposal of tangible assets	<u>1,338</u>		<u>1,244</u>	
		<u>55,208</u>		<u>151,756</u>
		107,965		193,096
<b>APPLICATION OF FUNDS</b>				
Purchase of tangible assets	(66,467)		(45,029)	
Taxation paid	(6,844)		(4,484)	
ACT paid	(16,000)		-	
Dividend paid	-		(56,000)	
Purchase of shares in subsidiary and related companies	(2,840)		(1,812)	
Loan to related company	(400)		-	
Repaid loan from immediate holding company	<u>-</u>		<u>(73,500)</u>	
		<u>(92,551)</u>		<u>(180,825)</u>
<b>NET MOVEMENT OF FUNDS</b>		15,414		12,271
Represented by:		<u>          </u>		<u>          </u>
<b>INCREASE/(DECREASE) IN WORKING CAPITAL</b>				
Stocks	(6,202)		12,644	
Debtors	(256)		10,027	
Amounts owed by group and related companies	26,060		(2,053)	
Creditors and provisions	<u>(4,835)</u>		<u>(2,370)</u>	
		14,767		18,248
<b>INCREASE/(DECREASE) IN NET LIQUID FUNDS</b>				
Cash at bank and in hand	1,367		(3,169)	
Bank loans and overdrafts	<u>(720)</u>		<u>(2,808)</u>	
		<u>647</u>		<u>(5,977)</u>
		15,414		12,271

The notes on pages 7 to 17 form part of these accounts.

# DU PONT (UK) LIMITED

## NOTES TO THE ACCOUNTS - 14 DECEMBER 1990

### 1 ACCOUNTING POLICIES

#### (a) Basis of accounting

The accounts have been prepared under the historical cost convention.

At 14 December 1990 Du Pont (U.K.) Limited was a wholly owned subsidiary of Conoco (UK) Limited, a company incorporated in Great Britain, and therefore under Section 229(2) of the Companies Act 1985, is exempt from producing group accounts.

#### (b) Turnover

Turnover represents the amounts receivable for goods sold and services provided after deducting value added tax.

#### (c) Tangible assets and depreciation

Tangible assets are stated at cost less accumulated depreciation. Tangible assets are written off on a straight line basis over their estimated useful lives by providing depreciation at the following annual rates:

Freehold land		Nil
Freehold buildings	First 10 years	4.5%
	Next 15 years	3%
	Next 10 years	1%
Fixtures, fittings and equipment, plant and machinery	First 3 years	12%
	Next 4 years	10%
	Next 3 years	8%
Motor vehicles	5 years	20%

Leasehold improvements are depreciated over the life of the lease if shorter than 10 years, or at the fixtures and fittings rates given above if longer.

#### (d) Government grants

Government capital grants received on fixed asset additions are treated as deferred income and included in the balance sheet as accruals and deferred income. The grants are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

Interest relief grants are credited to the profit and loss account as and when they become receivable.

#### (e) Assets in the course of construction

Direct costs, including own labour, incurred on construction of plant and machinery for use by the company are capitalised. These costs are included in tangible assets as "assets in the course of construction" until the asset is operational. No depreciation is provided until an asset is operational.



## **DU PONT (UK) LIMITED**

### **NOTES TO THE ACCOUNTS - 14 DECEMBER 1990 (continued)**

#### **1 ACCOUNTING POLICIES (continued)**

##### **(f) Patents and technical information**

Patents and technical information are stated at cost less amortisation provided at the rates of 10% and 20% per annum.

##### **(g) Stocks and work in progress**

Stocks and work in progress are stated at the lower of cost and net realisable value. Cost comprises purchase price or direct production costs together with customs and excise duties, freight and manufacturing overheads as appropriate.

##### **(h) Research and development expenditure**

Research and development expenditure is charged to the profit and loss account in the year in which it is incurred.

##### **(i) Foreign currency balances**

Monetary balances in foreign currencies, primarily intercompany accounts, are translated at the rate of exchange prevailing at the balance sheet date.

Assets purchased in foreign currencies, principally stocks, work in progress and tangible fixed assets are translated into sterling at the rates of exchange prevailing at the dates of purchase. Profit and loss items are translated into sterling at the rates of exchange prevailing at the dates of the transactions.

All exchange differences are included in the profit and loss account.

##### **(j) Deferred taxation**

Provision is made for deferred taxation where, in the opinion of the directors, there is a reasonable probability that a liability for taxation will arise.

In computing the company's taxation liability, full benefit is taken for non-taxable government grants received in respect of eligible expenditure.

##### **(k) Operating leases**

Rentals under operating leases are charged to profit, as incurred over the lease term.

##### **(l) Pensions**

Details of the company's pension scheme is shown in note 17 to the accounts.

## DU PONT (UK) LIMITED

### NOTES TO THE ACCOUNTS - 14 DECEMBER 1990 (continued)

#### 2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities is stated after charging/(crediting):

	1990 £'000	1989 £'000
Staff costs:		
Wages and salaries	55,298	49,369
Social security costs	4,072	3,673
Other pension costs	2,986	2,723
	<hr/>	<hr/>
	62,356	55,765
	<hr/>	<hr/>
Directors' emoluments (Note 16)	257	274
Depreciation	24,142	21,044
Capital grants credited	(5,635)	(5,032)
Amortisation of intangible assets	386	549
Hire of plant and machinery	1,237	1,783
Auditors' remuneration, including expenses	70	70
Interest payable on bank and other borrowings repayable within five years (including £26,140,000 to group companies (1989 - £10,763,000))	26,392	11,400
Interest receivable (including £974,000 from group companies (1989 - £293,000))	(2,009)	(599)
Pre-operating and start-up expenses in respect of new production plants	3,609	-
	<hr/>	<hr/>

#### 3 TAXATION

The taxation charge based on the profit on ordinary activities comprises:

	1990 £'000	1989 £'000
Corporation tax at 34.28% (1989 - 35%) - current year	1,664	4,368
- prior years	(4,068)	-
	<hr/>	<hr/>
	(2,404)	4,368
	<hr/>	<hr/>

The current year tax charge includes a credit of £4,491,000 relating to group relief losses of £13,100,000 surrendered by other group companies. The prior years credit of £4,068,000 also relates to group relief losses surrendered by other group companies. No payment is to be made by the company for any of the losses surrendered to it.

No provision has been made for deferred taxation since, in the opinion of the directors, the potential tax will not be payable in the foreseeable future.

# DU PONT (UK) LIMITED

## NOTES TO THE ACCOUNTS - 14 DECEMBER 1990 (continued)

### 3 TAXATION (continued)

At 14 December 1990 the potential liability for deferred taxation at 33% (1989 - 35%) comprised:

	<u>1990</u> £'000	<u>1989</u> £'000
Capital allowances claimed for tax purposes in excess of depreciation charged in the accounts	25,167	23,593
Short-term timing differences	(27)	(80)
	<u>25,140</u>	<u>23,513</u>

### 4 INTANGIBLE ASSETS

	<u>1990</u> £'000	<u>1989</u> £'000	<u>1989</u> £'000
Patents at cost	1,932	1,932	
Amortisation to date	(1,854)	(1,684)	
	<u>78</u>		248
Technical information at cost	3,243	3,243	
Amortisation to date	(3,243)	(3,027)	
	<u>-</u>		216
Patents and technical information at the period end	<u>78</u>		<u>464</u>

# DU PONT (UK) LIMITED

## NOTES TO THE ACCOUNTS - 14 DECEMBER 1990 (continued)

### 5 TANGIBLE ASSETS

	<u>Land &amp; buildings</u> £'000	<u>Motor vehicles fixtures, fittings &amp; equipment</u> £'000	<u>Plant &amp; machinery</u> £'000	<u>Assets in the course of construction</u> £'000	<u>Total</u> £'000
<u>Cost</u>					
15 December 1989	37,020	9,097	215,125	41,200	302,442
Additions	180	3,991	3,756	58,540	66,467
Construction allocations	1,617	-	31,799	(33,416)	-
Transfers	-	(12)	(2)	14	-
Disposals	(154)	(1,040)	(1,873)	-	(3,067)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
14 December 1990	38,663	12,036	248,805	66,338	365,842
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>					
15 December 1989	12,388	4,434	111,053	-	127,875
Charge for period	1,434	1,240	21,468	-	24,142
Release on disposals	(72)	(416)	(1,241)	-	(1,729)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
14 December 1990	13,750	5,258	131,280	-	150,288
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>Net book amount</u>					
At 14 December 1990	24,913	6,778	117,525	66,338	215,554
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 15 December 1989	24,632	4,663	104,072	41,200	174,567
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The net book amount of land and buildings comprises:

	<u>1990</u> £'000	<u>1989</u> £'000
Freehold land and buildings	22,974	22,715
Long leasehold land and buildings	1,939	1,917
	<hr/>	<hr/>
	24,913	24,632
	<hr/>	<hr/>

## DU PONT (UK) LIMITED

### NOTES TO THE ACCOUNTS - 14 DECEMBER 1990 (continued)

#### 6 CAPITAL COMMITMENTS

The company's authorised capital expenditure commitment at 14 December 1990 amounted to £96,109,000 (1989 - £54,170,000) of which contracted commitments amounted to £9,567,000 (1989 - £10,604,000).

#### 7 INVESTMENTS

	<u>Subsidiary companies</u>		<u>Related companies</u>		<u>Total</u> £'000
	<u>Cost of shares £'000</u>	<u>Loans £'000</u>	<u>Cost of shares £'000</u>	<u>Loans £'000</u>	
At 15 December 1989	6,351	1,869	-	3,921	12,141
Additions	640	-	2,200	400	3,240
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 14 December 1990	6,991	1,869	2,200	4,321	15,381
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The Company subscribed for a further 1,200 shares of £1 each in IDAC UK Limited on 30 November 1990. The consideration of £2,200,000 was paid on 31 December 1990.

The following companies were the principal operating subsidiaries of Du Pont (U.K.) Limited at 15 December 1990 and were all registered and operating in England.

	<u>Nature of business</u>	<u>% of share capital</u>
DUK Shipping Limited	Ship owner and operator	100%
Du Pont Pixel Systems Limited	Electronics manufacturer	87%

The loan of £1,869,000 is to DUK Shipping Limited and is secured by a first statutory mortgage. Interest is borne at a rate prescribed by Du Pont (U.K.) Limited but not exceeding 2% above the clearing banks' base rate. The company has subordinated its right to repayment of this loan to the rights of all other creditors of DUK Shipping Limited.

The loan to a related company is to IDAC (UK) Limited, a company registered and operating in England, whose principal activity is the manufacture of automotive paints and finishes. Du Pont (U.K.) Limited holds 50% of the ordinary share capital of IDAC (UK) Limited. The loan to IDAC (UK) Limited is unsecured and interest free.

In the opinion of the directors, the value of the company's investment in its subsidiaries and related companies is not less than the amount at which they are stated in the balance sheet.

# DU PONT (UK) LIMITED

## NOTES TO THE ACCOUNTS - 14 DECEMBER 1990 (continued)

### 8 STOCKS

	<u>1990</u> £'000	<u>1989</u> £'000
Raw materials and consumables	14,329	13,577
Work in progress	4,512	7,292
Finished goods and goods for resale	59,528	63,702
	<hr/>	<hr/>
	78,369	84,571
	<hr/>	<hr/>

The replacement cost of stocks does not exceed the balance sheet value by a material amount.

### 9 DEBTORS

	<u>1990</u> £'000	<u>1989</u> £'000
Trade debtors	75,407	77,238
Amounts owed by group companies	62,252	12,152
Other debtors	10,390	9,489
Corporation tax	4,712	-
Prepayments and accrued income	5,370	4,696
	<hr/>	<hr/>
	158,131	103,575
	<hr/>	<hr/>

### 10 CREDITORS (amounts falling due within one year)

	<u>1990</u> £'000	<u>1989</u> £'000
Bank loans and overdrafts	10,731	10,011
Trade creditors	16,424	12,512
Amounts owed to group companies	37,327	15,487
Corporation tax	-	20,536
Taxation and social security	1,200	2,589
Other creditors	3,688	661
Accruals and deferred income	4,154	5,429
Amounts owed to related companies	2,200	-
	<hr/>	<hr/>
	75,724	67,235
	<hr/>	<hr/>

# DU PONT (UK) LIMITED

## NOTES TO THE ACCOUNTS - 14 DECEMBER 1990 (continued)

### 11 CREDITORS (amounts falling due after more than one year)

	<u>1990</u> £'000	<u>1989</u> £'000
Loans from Du Pont Chemical and Energy Operations Inc	200,000	149,000

The loans from Du Pont Chemical and Energy Operations Inc (previously known as Du Pont Financial Holdings) are unsecured, £90 million is repayable on 18 October 1994 and bears interest at 15.0625%. £59 million is repayable on 1 December 1994 and bears interest at 15.1249%. £22 million is repayable on 1 January 1995 and bears interest at 15.000%. £3 million is repayable on 15 March 1995 and bears interest at 15.8125%. £26 million is repayable on 13 December 1995 and bears interest at 13.6875%.

### 12 PROVISIONS FOR LIABILITIES AND CHARGES

	<u>1990</u> £'000	<u>1989</u> £'000
Pensions and similar obligations	1,205	1,267
Other provisions	741	109
	<u>1,946</u>	<u>1,376</u>

	<u>Pensions and similar obligations</u> £'000	<u>Other provisions</u> £'000
At 15 December 1989	1,267	109
Provided during the period	-	632
Expended during the period	(62)	-
	<u>1,205</u>	<u>741</u>

### 13 ACCRUALS AND DEFERRED INCOME

	£'000
Balance at 15 December 1989	34,252
New grants during the period	2,870
Released to profit and loss account	(5,635)
	<u>31,487</u>
Balance at 14 December 1990	

# DU PONT (UK) LIMITED

## NOTES TO THE ACCOUNTS - 14 DECEMBER 1990 (continued)

### 14 CALLED UP SHARE CAPITAL

	<u>1990</u> £'000	<u>1989</u> £'000
Authorised:		
19,186,000 Ordinary shares of £1 each	19,186	19,186
	<hr/>	<hr/>
Allotted and fully paid:		
12,363,540 Ordinary shares of £1 each	12,364	12,364
	<hr/>	<hr/>

### 15 TURNOVER

The analysis of turnover by class of business is as follows:

	<u>1990</u> £000	<u>1989</u> £000
Fibres	203,338	163,530
Chemicals and specialities	95,818	93,126
Polymers	128,136	113,470
Electronics	72,475	74,859
Other	79,490	64,521
	<hr/>	<hr/>
	579,257	509,506
	<hr/>	<hr/>

The directors are of the opinion that disclosure of the profit before taxation attributable to each class of business would not be in the best interest of the company.

### 16 PARTICULARS OF DIRECTORS AND EMPLOYEES

Directors' emoluments comprise payments in respect of:

	<u>1990</u> £'000	<u>1989</u> £'000
Fees	-	-
Other	257	274
	<hr/>	<hr/>



# DU PONT (UK) LIMITED

## NOTES TO THE ACCOUNTS - 14 DECEMBER 1990 (continued)

### 16 PARTICULARS OF DIRECTORS AND EMPLOYEES (continued)

The emoluments, excluding pension contributions, of the chairman were:

	<u>1990</u> £'000	<u>1989</u> £'000
Chairman and highest paid director	78	63

The emoluments, excluding pension contributions, of the other directors fell within the ranges:

	<u>1990</u> Number	<u>1989</u> Number
£0 - £5,000	3	1
£25,001 - £30,000	2	-
£30,001 - £35,000	1	1
£45,001 - £50,000	-	2
£50,001 - £55,000	-	1
£60,001 - £65,000	1	-

Employees paid by Du Pont (UK) Limited whose remuneration (including early retirement payments) exceeded £30,000 fell within the ranges:

	<u>1990</u> Number	<u>1989</u> Number
£30,001 - £35,000	107	105
£35,001 - £40,000	77	58
£40,001 - £45,000	41	22
£45,001 - £50,000	33	16
£50,001 - £55,000	16	5
£55,001 - £60,000	10	2
£60,001 - £65,000	12	-
£65,001 - £70,000	6	-
£70,001 - £75,000	9	-
£75,001 - £80,000	7	-
£80,001 - £85,000	2	-
£85,001 - £90,000	1	-
£90,001 - £95,000	3	-
£100,001 - £105,000	2	-
£110,001 - £115,000	1	-
£115,001 - £120,000	1	-

The average number of persons employed during the period was 2,612 (1989 - 2,707).

## **DU PONT (UK) LIMITED**

### **NOTES TO THE ACCOUNTS - 14 DECEMBER 1990 (continued)**

#### **17 PENSION COSTS**

The company operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company, being invested in trustee administered funds. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was as at 31 December 1988. 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 returns would be 9% per annum, that salary increases would average between 7% and 9% per annum and that there would be no increase in the level of present and future pensions.

The pension charge for the period was £2,986,000 (1989: £2,723,000). This included £1,970,000 (1989: £Nil) in respect of the amortisation of experience surpluses that are being recognised over 14 years, the average remaining service lives of employees.

The most recent actuarial valuation showed that the market value of the scheme's assets was £82,478,000 and that the actuarial value of those assets represented 124% of the benefits that had accrued to members, after allowing for expected future increases in earnings.

#### **18 GUARANTEES AND CONTINGENT LIABILITIES**

At 14 December 1990 the company had guaranteed the overdraft of its subsidiary company, DUK Shipping Limited, up to £300,000. At 14 December 1990 DUK Shipping Limited's overdraft was £Nil (1989 - £Nil).

At 14 December 1990 the company had given its bank specific counter indemnities of £163,160 (1989 - £321,427) in respect of bonds given on its behalf to HM Customs and others.

#### **19 ULTIMATE HOLDING COMPANY**

The company is a wholly owned subsidiary of Conoco (UK) Limited, incorporated in Great Britain. The ultimate holding company is El du Pont de Nemours and Company, incorporated in the United States of America.