

BXL PLASTICS LIMITED

ANNUAL REPORT AND ACCOUNTS 1991

REGISTERED NUMBER : 325744

COMPANIES HOUSE

- 4 SEP 1992

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BXL PLASTICS LIMITED

REPORT OF THE DIRECTORS

BOARD OF DIRECTORS: Mr P A Pearson (Chairman)
Mr M I Bulman
Mr M Elliott
Mr M Hawkrigg
Mr M R Levitton

Mr Pearson and Mr Levitton served as directors throughout the financial year. Mr R G J Smith resigned on 1 May 1991. Mr J J Lamort resigned on 31 December 1991 and Mr M I Bulman, Mr M Elliott and Mr M Hawkrigg were appointed directors on 1 January 1992.

The directors submit their report and the accounts for the year to 31 December 1991.

1. Activities

The company's main activities comprised acting as the managing agent for BP International Limited in the manufacture and sale, predominantly from polyethylene resins, of bottles, films, bags and foams for use mainly by the packaging industry.

2. Trading Results

A profit of £26,000 arose from the Company's activities as a managing agent for BP International Limited and dividends received.

3. Dividend

No interim dividend was paid during the period and no final dividend is recommended.

4. Research & Development

BXL R&D programmes under the agency during 1991 focused on the development of new and improved products. Specific progress was made in the area of rigid containers for food packaging. In addition, research projects at selected universities continued into new plastics materials, products and processes.

With growing concern over environmental issues associated with plastics packaging, projects to investigate the recycling of post consumer plastics waste were initiated.

BXL PLASTICS LIMITED

REPORT OF THE DIRECTORS (Continued)

5. **Disabled Persons**

Applications by disabled persons for jobs within their competence are given full and fair consideration by the company. Opportunities in employment for training, development and promotion are equally open to both disabled and able-bodied employees.

6. **Employee Information**

The company continues to seek ways of communicating effectively with its employees, to ensure their greater awareness of, and involvement in, its activities.

Regular briefing sessions and consultation committees are organised at local level and the in-house journal includes information on the financial performance of the company and the activities of its businesses.

Discussions on health and safety continue to feature prominently throughout the company.

7. **Director's Interests**

The interests of the directors holding office at 31 December 1991 and their families in the shares of The British Petroleum Company p.l.c. are as set out below:

Ordinary Shares of 25p each

	Held at 1 January 1991	Held at 31 December 1991
Mr P A Pearson	10,859	11,613
Mr J J Lamort	Nil	Nil
Mr M R Leviton	5,064	10,201

BXL PLASTICS LIMITED

REPORT OF THE DIRECTORS (Continued)

Rights to subscribe for 25p Ordinary Shares were granted to, or exercised by, the directors between 1 January or their date of appointment and 31 December 1991 as follows:


	<u>Granted</u>	<u>Exercised</u>
Mr P A Pearson	Nil	10,500
Mr J J Lamort	Nil	Nil
Mr M R Leviton	8,400	Nil

8. During the year insurance was purchased and maintained by the ultimate parent undertaking for the directors and officers of the company against the financial consequences of actions brought against them by outside parties for their acts or omissions in the performance of their duties.

9. **Auditors**

In accordance with Section 386 of the Companies Act 1985, an elective resolution to dispense with the obligation to appoint auditors annually will be put to the members at the Annual General Meeting.

By Order of the Board


Secretary

Belgrave House
76 Buckingham Palace Road
London
SW1W 0SU

20 August 1992

EXL PLASTICS LIMITEDPROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1991

	Note	1991 £000	1990 £000
TURNOVER	3		
Expenditure recovered		26,068	23,482
Agency fee		20	20
		-----	-----
		26,088	23,502
Distribution & administration expenses	4	(26,068)	(23,482)
Other income		7	8
Amounts written-off investments		-	(157)
		-----	-----
PROFIT/(LOSS) BEFORE TAXATION		27	(129)
Taxation	7	1	1
		-----	-----
PROFIT/(LOSS) AFTER TAXATION		26	(130)
Retained profit at 1 January		7,244	7,374
		-----	-----
RETAINED PROFIT AT 31 DECEMBER		7,270	7,244
		=====	=====

BXL PLASTICS LIMITED**BALANCE SHEET AT 31 DECEMBER 1991**

	Note	1991 £000	1990 £000
Fixed assets			
Investments	8	11,169	11,516
Current assets - debtors	9	57,169	57,257
Creditors amounts falling due within one year	10	38,631	39,092
Net current assets		18,538	18,165
Shareholders' interests		29,707	29,681
		=====	=====
Represented by:			
Capital and reserves			
Called-up share capital	12	12,276	12,276
Profit and loss account		7,270	7,244
Capital reserves		10,161	10,161
		29,707	29,681
		=====	=====



Director
20 August 1992

BXL PLASTICS LIMITED

NOTES TO THE ACCOUNTS

1. Accounting Policies

- (a) The accounts are prepared under the historical cost convention and in accordance with UK accounting standards.
- (b) Deferred taxation is calculated using the liability method. Provision is made where timing differences are expected to reverse in the foreseeable future.
- (c) Pension costs, including the amortisation of actuarial surpluses and deficiencies, if any, are charged to income over the expected average remaining service lives of employees.
- (d) The company is a wholly-owned subsidiary undertaking of its ultimate parent undertaking, The British Petroleum Company p.l.c., which has published a group cashflow statement in compliance with Financial Reporting Standard No. 1. Accordingly, a cash flow statement is not presented in these accounts.

2. Group Accounts

Group accounts are not submitted as BXL Plastics Limited is a wholly owned subsidiary in the BP Group of Companies. Income of associated undertakings is dealt with in the accounts of the ultimate parent undertaking and only dividend income received is reflected in these accounts.

3. Turnover comprises recoverable expenditure and agency fee.

4. Distribution and Administration Expenses

	1991 £000	1990 £000
Administration	26,068	23,482

BXL PLASTICS LIMITED**NOTES TO THE ACCOUNTS (Continued)****5. Employee Information**

	1991 £000	1990 £000
(a) Remuneration		
Wages and salaries	24,084	21,332
Social Security costs	1,470	1,473
Pension costs	514	677
	-----	-----
	26,068	23,482
	=====	=====
(b) Average employee numbers	No's	No's
Managerial, marketing and administrative staff	380	440
Industrial staff	1,005	1,111
	-----	-----
Total, all in UK	1,385	1,551
	=====	=====

6. Emoluments of Directors

None of the directors received any fees or remuneration from this company.

7. Taxation

	1991 £000	1990 £000
United Kingdom Taxation		
Current	1	1
Overseas Tax Relief	(1)	(1)
	-----	-----
	-	-
	-----	-----
Overseas tax	1	1
	=====	=====

BXL PLASTICS LIMITED**NOTES TO THE ACCOUNTS (Continued)****7. Taxation (Continued)****United Kingdom Taxation**

The company is a member of a group for the purposes of relief under Section 402 of the Income and Corporate Taxes Act 1988. The corporation tax liability for the year has been partially covered by double tax relief and owing to the availability of group relief, no provision has been made in the accounts of this company for the balance of the liability. The group's current corporation tax liability has been provided in the accounts of BP International Limited, a fellow subsidiary undertaking.

Provision for deferred taxation is not required.

8. Fixed Assets - Investments

	<u>Subsidiary Undertakings</u>		<u>Associated Undertakings</u>	<u>Other Companies</u>		
	Shares	Loans	Shares	Shares	Loans	Total
	£000	£000	£000	£000	£000	£000
Cost:						
At 1 January 1991	8,600	2,169	558	304	42	11,673
Additions	-	-	50	-	12	62
Disposal	-	(409)	-	-	-	(409)
	-----	-----	-----	-----	-----	-----
At 31 December 1991	8,600	1,760	608	304	54	11,326
	-----	-----	-----	-----	-----	-----
Amounts Provided:						
At 1 January 1991	-	-	157	-	-	157
Provided in the Year	-	-	-	-	-	-
	-----	-----	-----	-----	-----	-----
At 31 December 1991	-	-	157	-	-	157
	-----	-----	-----	-----	-----	-----
Net Book Amount:						
At 31 December 1991	8,600	1,760	451	304	54	11,169
	-----	-----	-----	-----	-----	-----
At 31 December 1990	8,600	2,169	401	304	42	11,516

BXL PLASTICS LIMITED**NOTES TO THE ACCOUNTS (Continued)****9. Fixed Assets - Investments (Continued)**

In the opinion of the directors, the aggregate value of shares in and amounts owing from the company's subsidiary undertakings is not less than the amounts at which these are shown in the balance sheet.

Listed below are the subsidiary undertakings at 31 December 1991 showing the percentage of equity share capital held:

	<u>%</u>	<u>Country of Registration</u>	<u>Principal Activities</u>
Arjobex Limited	51	England	Plastic paper manufacture
Recovery Plastics Limited	100	England	Plastics recycling
BXL Pension Trustees Limited (formerly BXL Staff Trustees Limited)	100	England	Trustees
BXL Trustees Limited	100	England	Trustees
Cascelloid Limited	100	England	Dormant
Expanded Polymers Limited	100	England	Dormant
Scintillex Limited	100	England	Dormant
The British Xylonite Company Limited	100	England	Dormant

The investments in subsidiary undertakings are unlisted.

Details are given below of the investments in Associated Undertakings and other companies at 31 December 1991 showing the percentage of share capital held.

<u>Associated Undertaking</u>	<u>Country of Incorporation & Registration</u>	<u>Shares Held (Unlisted)</u>	<u>%</u>
Xcell Foam Limited	Scotland	Ordinary 8% cum.red.pref.	49.5 100.0

Other Companies

Impex (Sylt) Limited	England	Ordinary	17.5
Co*uplas SA	France	Ordinary	5.0

The shares in Impex (Sylt) Limited were disposed of in June 1992.

BXL PLASTICS LIMITED**NOTES TO THE ACCOUNTS (Continued)**

9. <u>Debtors</u>	1991	1990
	£000	£000
Fellow subsidiary undertakings	56,762	56,762
Pensions fund prepayment	407	495
	<u>57,169</u>	<u>57,257</u>
	-----	-----
10. <u>Creditors</u>	1991	1990
	Due within 1 Year £000	Due within 1 Year £000
Subsidiary undertakings	7,846	7,895
Parent undertaking	30,785	31,197
	<u>38,631</u>	<u>39,092</u>
	-----	-----

11. Pensions Benefits

The company contributes to separately funded plans. These plans provide defined benefits that are computed based on an employee's years of service and final pensionable earnings. Contributions are made to the funds on the basis of advice from independent actuaries, using the projected unit method, the objective of which is to provide adequate funds to meet pension obligations as they fall due, and are based on pension costs in respect of all members of the plans. Principal assumptions used in calculating the 1991 charge were:

Assumed Annual Rate

Interest	9%
Salary inflation	7%
Pension increases	5%

BXL PLASTICS LIMITED**NOTES TO THE ACCOUNTS (Continued)****11. Pensions Benefits (Continued)**

At 5 April 1991, the date of the latest funding review, the market value of the assets of the funds was £102,700,000. The actuarial valuation of the funds represents 131% of the benefits accrued to members of the plans, after allowing for expected future increases in earnings and pensions.

The pensions charge for the year was £514,000 (1990 £677,000).

This is after taking account of £1,513,000 in respect of the surpluses that are being amortized over 15 years, the average remaining service lives of employees.

The excess of the amount paid over the amount charged is included in debtors - note 10.

With effect from 6 April 1992 the BXL Pension Fund was merged with the BP Pension Fund.

12. Called-up Share Capital

	1991 £000	1990 £000
Authorised, allotted and fully paid		
Deferred ordinary £1 shares	11,160	11,160
Ordinary £1 shares	1,116	1,116
	<u>12,276</u>	<u>12,276</u>

13. Ultimate Parent Undertaking

The ultimate parent undertaking of the group of undertakings for which group accounts are drawn up and of which the company is a member is The British Petroleum Company p.l.c., a company registered in England and Wales.

Copies of the accounts of The British Petroleum Company p.l.c. can be obtained from the Company Secretary at The British Petroleum Company p.l.c., Britannic House, 1 Finsbury Circus, London, EC2M 7BA.

BXL PLASTICS LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS
OF BXL PLASTICS LIMITED

We have audited the accounts on pages 4 to 11 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company at December 31, 1991 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

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Ernst & Young

Ernst & Young
Chartered Accountants
Registered Auditor
London

20 August 1992