

GEE LAWSON CHEMICALS LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2001



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COMPANIES HOUSE		06/07/02
A50	*AKPFT8Z1*	0545
COMPANIES HOUSE		26/06/02

GEE LAWSON CHEMICALS LIMITED

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GEE LAWSON CHEMICALS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

The directors present their report and financial statements for the year ended 31 December 2001.

Principal activities and review of the business

The principal activity of the company continued to be that of importers and exporters of chemicals.

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

Results and dividends

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

Directors

The following directors have held office since 1 January 2001:

M A Hofman
J Shorts
D Hofman

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Class A of £ 1 each	
	31 December 2001	1 January 2001
M A Hofman	8,770	8,770
D Hofman	-	-
J Shorts	1,210	1,210

	Class B of £ 1 each	
	31 December 2001	1 January 2001
M A Hofman	12,412	12,412
D Hofman	-	-
J Shorts	1,712	1,712

Charitable donations	2001	2000
	£	£

During the year the company made the following payments:

Charitable donations	11,900	16,306
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Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that SPW be reappointed as auditors of the company will be put to the Annual General Meeting.

GEE LAWSON CHEMICALS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



M A Hofman

Director

23 May 2002

GEE LAWSON CHEMICALS LIMITED

AUDITORS' REPORT TO GEE LAWSON CHEMICALS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 13, together with the financial statements of the company for the year ended 31 December 2001 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated accounts on pages 4 to 13 are properly prepared in accordance with that provision.

SPW

Chartered Accountants
Registered Auditor



23 May 2002

Registered Auditors
Gable House
239 Regents Park Road
London
N3 3LF

GEE LAWSON CHEMICALS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	2001 £	2000 £
Gross profit		2,147,363	1,903,395
Distribution costs		(205,911)	(157,943)
Administrative expenses		(1,264,936)	(1,449,426)
Operating profit	2	676,516	296,026
Other interest receivable and similar income		18,903	29,687
Interest payable and similar charges	3	(845)	(5,338)
Profit on ordinary activities before taxation		694,574	320,375
Tax on profit on ordinary activities	4	(246,548)	(68,172)
Profit on ordinary activities after taxation		448,026	252,203
Dividends	5	-	(90,000)
Retained profit for the year	12	448,026	162,203


GEE LAWSON CHEMICALS LIMITED

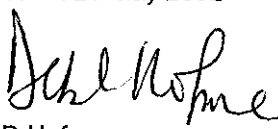
ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	2001 £	£	2000 £	£
Fixed assets					
Tangible assets	6		393,446		82,354
Current assets					
Stocks	7	697,510		643,418	
Debtors	8	2,494,847		1,002,325	
Deferred tax asset	8	-		-	
Cash at bank and in hand		837,801		997,212	
		4,030,158		2,642,955	
Creditors: amounts falling due within one year	9	(2,555,217)		(1,669,808)	
Net current assets			1,474,941		973,147
Total assets less current liabilities			1,868,387		1,055,501
Provisions for liabilities and charges					
Deferred tax liability			(60,810)		-
			1,807,577		1,055,501
Capital and reserves					
Called up share capital	11	24,104		24,104	
Revaluation reserve	12	304,050		-	
Profit and loss account	12	1,479,423		1,031,397	
Shareholders' funds - equity interests	13	1,807,577		1,055,501	

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The financial statements were approved by the Board on 23 May 2002


M A Hofman
Director


D Hofman
Director

GEE LAWSON CHEMICALS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2001

	2001	2000
	£	£
Net cash inflow from operating activities	50,901	721,919
Returns on investments and servicing of finance		
Interest received	18,903	29,687
Interest paid	(466)	(201)
Net cash inflow for returns on investments and servicing of finance	18,437	29,486
Taxation	(126,674)	(157,752)
Capital expenditure and financial investment		
Payments to acquire tangible assets	(23,096)	(29,720)
Receipts from sales of tangible assets	-	27,250
Receipts from sales of investments	-	21,422
Net cash (outflow)/inflow for capital expenditure	(23,096)	18,952
Equity dividends paid	(90,000)	(293,100)
Net cash (outflow)/inflow before management of liquid resources and financing	(170,432)	319,505
(Decrease)/increase in cash in the year	(170,432)	319,505

GEE LAWSON CHEMICALS LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2001

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities	2001	2000
		£	£
	Operating profit	676,516	296,026
	Depreciation of tangible assets	16,054	13,635
	Loss on disposal of tangible assets	-	20,663
	Increase in stocks	(54,092)	(321,066)
	(Increase)/decrease in debtors	(1,429,185)	108,146
	Increase in creditors within one year	333,454	604,515
	Net cash (outflow)/inflow from operating activities	450,860	721,919

2	Analysis of net funds	1 January 2001	Cash flow	Other non-cash changes	31 December 2001
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	997,212	(159,411)	-	837,801
	Bank overdrafts	(3,963)	(11,021)	-	(14,984)
		993,249	(170,432)	-	822,817
	Net funds	993,249	(170,432)	-	822,817

3	Reconciliation of net cash flow to movement in net funds	2001	2000
		£	£
	(Decrease)/increase in cash in the year	(170,432)	319,505
	Cash inflow from increase in debt	-	-
	Movement in net funds in the year	(170,432)	319,505
	Opening net funds	993,249	673,744
	Closing net funds	822,817	993,249

GEE LAWSON CHEMICALS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	1% on a Reducing Balance basis
Plant and machinery	25% on a Reducing Balance basis
Fixtures, fittings & equipment	25% on a Reducing Balance basis
Motor vehicles	25% on a Reducing Balance basis

1.4 Stock

Stock is valued at the lower of cost and net realisable value.

1.5 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.6 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Operating profit

	2001	2000
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	16,054	13,635
Loss on disposal of tangible assets	-	20,663
Loss on foreign exchange transactions	-	15,369
Auditors' remuneration	8,500	7,665
and after crediting:		
Profit on foreign exchange transactions	(33,543)	-

GEE LAWSON CHEMICALS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

3	Interest payable	2001	2000
		£	£
	On bank loans and overdrafts	466	201
	Other interest	379	5,137
		<u>845</u>	<u>5,338</u>
4	Taxation	2001	2000
		£	£
	Domestic current year tax		
	U.K. corporation tax	185,738	63,337
	Adjustment for prior years	-	4,835
		<u>185,738</u>	<u>68,172</u>
	Current tax charge		
		185,738	68,172
	Deferred tax		
	Deferred tax charge/credit current year	60,810	-
		<u>246,548</u>	<u>68,172</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	694,574	320,375
		<u>694,574</u>	<u>320,375</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26.74% (2000 : 20.41%)	185,729	65,389
		<u>185,729</u>	<u>65,389</u>
	Effects of:		
	Non deductible expenses	891	101
	Depreciation	4,293	2,783
	Capital allowances	(5,190)	(9,166)
	Adjustments to previous periods	-	4,385
	Chargeable disposals	-	4,218
	Other tax adjustments	15	462
		<u>9</u>	<u>2,783</u>
	Current tax charge	<u>185,738</u>	<u>68,172</u>
5	Dividends	2001	2000
		£	£
	Ordinary final proposed	-	90,000
		<u>-</u>	<u>90,000</u>

GEE LAWSON CHEMICALS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

6 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2001	51,950	54,907	57,400	164,257
Additions	-	22,035	1,061	23,096
Revaluation	304,050	-	-	304,050
	<u>356,000</u>	<u>76,942</u>	<u>58,461</u>	<u>491,403</u>
At 31 December 2001	356,000	76,942	58,461	491,403
Depreciation				
At 1 January 2001	9,001	18,362	54,540	81,903
Charge for the year	429	14,645	980	16,054
	<u>9,430</u>	<u>33,007</u>	<u>55,520</u>	<u>97,957</u>
At 31 December 2001	9,430	33,007	55,520	97,957
Net book value				
At 31 December 2001	<u>346,570</u>	<u>43,935</u>	<u>2,941</u>	<u>393,446</u>
At 31 December 2000	<u>42,949</u>	<u>36,545</u>	<u>2,860</u>	<u>82,354</u>

7 Stocks

	2001 £	2000 £
Finished goods and goods for resale	<u>697,510</u>	<u>643,418</u>

8 Debtors

	2001 £	2000 £
Trade debtors	2,222,692	873,200
Corporation tax	63,337	-
Other debtors	180,277	106,145
Prepayments and accrued income	28,541	22,980
	<u>2,494,847</u>	<u>1,002,325</u>

GEE LAWSON CHEMICALS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

9	Creditors: amounts falling due within one year	2001	2000
		£	£
	Bank loans and overdrafts	14,984	3,963
	Trade creditors	2,033,237	978,445
	Corporation tax	190,211	68,761
	Other taxes and social security costs	-	25,180
	Directors' current accounts	3,441	7,138
	Accruals and deferred income	313,344	496,321
	Proposed dividend	-	90,000
		<u>2,555,217</u>	<u>1,669,808</u>
10	Pension costs		
	Defined contribution		
		2001	2000
		£	£
	Contributions payable by the company for the year	<u>88,908</u>	<u>88,608</u>
11	Share capital	2001	2000
		£	£
	Authorised		
	25,000 Class A of £ 1 each	25,000	25,000
	25,000 Class B of £ 1 each	25,000	25,000
		<u>50,000</u>	<u>50,000</u>
	Allotted, called up and fully paid		
	9,980 Class A of £ 1 each	9,980	9,980
	14,124 Class B of £ 1 each	14,124	14,124
		<u>24,104</u>	<u>24,104</u>

GEE LAWSON CHEMICALS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

12 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 January 2001	-	1,031,397
Retained profit for the year	-	448,026
Revaluation during the year	304,050	-
Balance at 31 December 2001	304,050	1,479,423

13 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
Profit for the financial year	448,026	252,203
Dividends	-	(90,000)
	448,026	162,203
Other recognised gains and losses	304,050	-
Net addition to shareholders' funds	752,076	162,203
Opening shareholders' funds	1,055,501	893,298
Closing shareholders' funds	1,807,577	1,055,501

14 Directors' emoluments

	2001 £	2000 £
Emoluments for qualifying services	428,029	628,743
Company pension contributions to money purchase schemes	78,000	78,000
	506,029	706,743

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	210,655	283,663
Company pension contributions to money purchase schemes	24,000	54,000

GEE LAWSON CHEMICALS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2001

15 Transactions with directors

	Amount outstanding 2001 £	2000 £	Maximum in year £
J Shorts	10,000	-	10,000

16 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2001 Number	2000 Number
Office	11	11
Management	4	5
	15	16

Employment costs

	£	£
Wages and salaries	825,616	941,250
Social security costs	94,499	106,010
Other pension costs	88,908	88,608
	1,009,023	1,135,868