

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

31 DECEMBER 2000

Company number: 1185365

ALEXANDER & CO
Chartered Accountants



CHEMISCHE FABRIK TUBINGEN (UK) LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000

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CHEMISCHE FABRIK TUBINGEN (UK) LIMITED

COMPANY INFORMATION

31 DECEMBER 2000

REGISTERED NUMBER:	1185365
DIRECTORS:	U Hambrecht (German) - resigned 4/7/00 Dr N Weigand (German) C R Wilkins K Hannapel (German) - appointed 4/7/00
SECRETARY:	C R Wilkins
REGISTERED OFFICE:	17 St Ann's Square Manchester M2 7PW
BANKERS:	National Westminster Bank plc 180 London Road Hazel Grove Stockport Cheshire
AUDITORS:	Alexander & Co 17 St Ann's Square Manchester M2 7PW

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2000

The directors present their report and the abbreviated financial statements for the year ended 31 December 2000.

Principal activity

The principal activity of the company throughout the year continued to be that of manufacturer and distributor of chemicals to the textile industry.

Business review

The year 2000 has been the most difficult year of trading in the history of CHT (UK) Limited. This is against a backdrop of the well-reported demise of the textile industry that the company services.

During the course of the year there have been a large number of both existing and potential customers who have closed, through a variety of circumstances – liquidation, orderly closure and the transfer of business into Eastern economies.

Such closures have resulted in a significant loss of revenue although this has been replaced, at least in part, through new business generated as a result of the company's competitive nature. However, due to the bad debts suffered as a result of these closures, the profit for the year has been significantly reduced.

In an effort to expand the company's coverage of the textile industry, which is of course its core business, the directors have actively recruited in the Coatings (Technical Textile) area to exploit the parent company's development in this field. This is a very competitive market sector, but with the company's developing strategy, the directors expect that this area will have made a significant contribution to its development by the end of 2001.

The future for the textile industry within the UK is uncertain. Further closures are inevitably expected, but with a flexible approach, the directors have great expectations for a consolidation of the company's position as a leading supplier within the industry.

The company's balance sheet as detailed on page 7 shows a satisfactory position with shareholders' funds amounting to £2,154,568 (1999 - £2,155,125).

Profits, dividends and appropriations

The results for the year are shown in the profit and loss account on page 6.

An ordinary dividend amounting to £300,000 (1999 - £450,000) was paid during the year and the resulting deficit for the year is to be transferred to reserves.

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED

DIRECTORS' REPORT (cont...)

FOR THE YEAR ENDED 31 DECEMBER 2000

Fixed assets

Changes in fixed assets during the year are set out in note 8 to the accounts.

In the opinion of the directors there is no significant difference between the present market value of the company's properties and the amounts at which they are stated in the accounts. Details are set out in note 8.

Directors

The directors who served during the year are listed below. None of the directors had any interest in the share capital of the company.

U Hambrecht (German) - resigned 4/7/00

Dr N Weigand (German)

C R Wilkins

K Hannapel (German) - appointed 4/7/00

Donations

During the year the company made charitable donations totalling £370.

Auditors

Alexander & Co have agreed to offer themselves for re-appointment as auditors of the company.

By order of the Board



C R Wilkins
Secretary

17 St Ann's Square
Manchester
M2 7PW

Date: 28 APRIL 01.

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law 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 year. In preparing those financial statements we are required to:

- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

By order of the Board



Date:

28 APRIL 01.

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED
AUDITORS' REPORT

Auditors' report to the members of
Chemische Fabrik Tubingen (UK) Limited

We have examined the abbreviated financial statements on pages 6 to 14 together with the financial statements of the company for the year ended 31 December 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

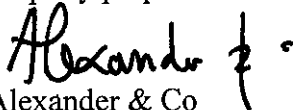
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with section 246A(3) of the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

Basis of opinion

We have carried out the procedures we consider 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 6 to 14 are properly prepared in accordance with those provisions.



Alexander & Co
Chartered Accountants &
Registered Auditor
17 St Ann's Square
Manchester M2 7PW

Date: 2 May 2001

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2000

	Note	2000 £	1999 £
Gross profit		1,794,436	1,817,918
Net operating expenses			
Administrative expenses		(1,395,052)	(1,255,863)
		-----	-----
Operating profit	2	399,384	562,055
Investment income	4	30,875	39,384
		-----	-----
Profit on ordinary activities before taxation		430,259	601,439
Taxation	5	(130,816)	(187,427)
		-----	-----
Profit on ordinary activities after taxation		299,443	414,012
Dividends	6	(300,000)	(450,000)
		-----	-----
Deficit for the year	13	(557)	(35,988)
		=====	=====

Movements in reserves are shown in note 13.

There are no recognised gains and losses in 2000 and 1999 other than the profit for the year.

None of the company's activities were acquired or discontinued during the above financial years.

The notes on pages 9 to 14 form part of these accounts.

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31 DECEMBER 2000

	Notes	2000		1999	
		£	£	£	£
Fixed assets					
Tangible assets	7		549,560		573,788
Current assets					
Stock	8	514,834		619,008	
Debtors	9	1,154,158		1,408,642	
Cash at bank and in hand		544,277		1,275,772	
		-----		-----	
		2,213,269		3,303,422	
Creditors - amounts falling due within one year	10	(608,261)		(1,722,085)	
		=====		=====	
Net current assets			1,605,008		1,581,337
			-----		-----
Total assets less current liabilities			2,154,568		2,155,125
			=====		=====
Capital and reserves					
Called up share capital	12		306,000		306,000
Profit and loss account	13		1,848,568		1,849,125
			-----		-----
Shareholders' funds	11		2,154,568		2,155,125
			=====		=====

The abbreviated financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium companies.

The abbreviated financial statements on pages 6 to 14 were approved by the Board of Directors on 28/04/01



DIRECTOR

The notes on pages 9 to 14 form part of these accounts.

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED

ABBREVIATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2000

	2000		1999	
	£	£	£	£
Net cash inflow from operating activities		212,054		552,626
Returns on investments and servicing of finance				
Interest received	30,875		39,384	
	-----		-----	
Net cash inflow from returns on investments and servicing of finance		30,875		39,384
Taxation				
Corporation tax paid (including ACT)	(189,616)		(275,427)	
	-----		-----	
Tax paid		(189,616)		(275,427)
Capital expenditure				
Payments to acquire:				
Tangible fixed assets	(54,808)		(30,020)	
Receipts from sales of:				
Tangible fixed assets	20,000		40,400	
	-----		-----	
Net cash (outflow)/inflow from capital expenditure		(34,808)		10,380
Equity dividends paid		(750,000)		-
		-----		-----
Net cash (outflow)/inflow before financing		(731,495)		326,963
		=====		=====
(Decrease)/increase in cash for the period		(731,495)		326,963
		=====		=====

See note 18 for the notes to this statement.

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2000

1. Accounting policies

Basis of accounting

The financial statements have been prepared in accordance with applicable Accounting Standards and under the historical cost accounting rules.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold buildings	2% on cost
Plant and equipment	10% to 33% on cost
Motor vehicles	25% on cost
Fixtures and fittings	25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Deferred taxation

Provision is made at appropriate rates for taxation deferred in respect of all material timing differences 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.

Leases

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

Defined contribution scheme

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (cont...)

FOR THE YEAR ENDED 31 DECEMBER 2000

2. Operating profit	2000	1999
Operating profit is stated after charging/(crediting):	£	£
Auditors' remuneration	9,000	9,000
Hire of plant and machinery	2,392	2,392
Profit on sale of assets	(10,364)	(8,780)
Operating lease rentals	43,690	16,756
Loss/(profit) on foreign exchange	8,317	(634)
	=====	=====
Depreciation of tangible fixed assets (note 7)		
Depreciation (owned assets)	69,400	99,037
	=====	=====
3. Directors and employees		
Staff costs including directors' emoluments:		
Wages and salaries	606,630	603,136
Social security costs	60,859	60,790
Pension costs	4,911	4,883
	-----	-----
	672,400	668,809
	=====	=====
The average number employed, which includes executive directors was:	No.	No.
Office staff	9	9
Selling and technical staff	10	11
Warehouse staff	6	6
	-----	-----
	25	26
	=====	=====
Directors	£	£
Directors' emoluments: (including benefits in kind)		
Management remuneration	89,470	86,331
	=====	=====

Pension costs

Defined contribution scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £4,911 (1999 - £4,883).

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (cont...)

FOR THE YEAR ENDED 31 DECEMBER 2000

4.	Investment income	2000	1999		
		£	£		
	Bank deposit interest	30,875	39,384		
		=====	=====		
5.	Taxation				
	Corporation tax on profit on ordinary activities at 31.9% (1999 - 31.4%)	138,000	195,000		
	Over provision in earlier years	(7,184)	(7,573)		
		-----	-----		
		130,816	187,427		
		=====	=====		
6.	Dividends				
	Dividend of 98.04p per share (1999 - 147.06p)	300,000	450,000		
		=====	=====		
7.	Tangible fixed assets	Plant and	Fixtures and	Freehold	
	Motor	Equipment	and	land and	
	Vehicles		Fittings	Buildings	Total
	£	£	£	£	£
	Cost				
	At 1 Jan 2000	156,903	386,971	307,478	511,504
	Additions	-	44,568	10,240	-
	Disposals	(64,284)	(7,500)	-	-
		-----	-----	-----	-----
	At 31 Dec 2000	92,619	424,039	317,718	511,504
		=====	=====	=====	=====
	Depreciation				
	At 1 Jan 2000	107,932	357,390	258,920	64,826
	Charge for year	24,760	16,755	19,657	8,228
	Disposals	(54,648)	(7,500)	-	-
		-----	-----	-----	-----
	At 31 Dec 2000	78,044	366,645	278,577	73,054
		-----	-----	-----	-----
	Net book value				
	At 31 Dec 2000	14,575	57,394	39,141	438,450
		=====	=====	=====	=====
	At 31 Dec 1999	48,971	29,581	48,558	446,678
		=====	=====	=====	=====

The cost of freehold buildings on which depreciation is charged amounted to £411,504 (1999 - £411,504).

The National Westminster Bank plc holds a mortgage debenture dated 23 March 1981 and a legal mortgage dated 11 November 1988 over the property at Unit 2, Newby Road Industrial Estate, Hazel Grove, Stockport.

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS (cont...)
FOR THE YEAR ENDED 31 DECEMBER 2000

8. Stocks	2000	1999
	£	£
Raw materials	46,341	44,503
Finished goods	468,493	574,505
	-----	-----
	514,834	619,008
	=====	=====
9. Debtors		
Amounts falling due within one year		
Trade debtors	1,051,188	1,348,819
Prepayments and accrued income	56,552	47,559
Other debtors	46,418	12,264
	-----	-----
	1,154,158	1,408,642
	=====	=====
10. Creditors		
Amounts falling due within one year		
Trade creditors	56,534	78,622
Amounts owed to group undertaking	361,284	878,174
Corporation tax	73,200	132,000
Other taxation and social security	80,163	123,020
Accruals and deferred income	34,782	56,823
Other creditors	2,298	3,446
Dividend payable	-	450,000
	-----	-----
	608,261	1,722,085
	=====	=====
11. Reconciliation of movement in shareholders' funds		
Profit for the financial year	299,443	414,012
Dividends	(300,000)	(450,000)
	-----	-----
Net deficit on shareholders' funds	(557)	(35,988)
Opening shareholders' funds	2,155,125	2,191,113
	-----	-----
Closing shareholders' funds	2,154,568	2,155,125
	=====	=====

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS (cont...)
FOR THE YEAR ENDED 31 DECEMBER 2000

12. Share capital	2000		1999	
Authorised	No	£	No	£
£1 Ordinary shares	329,000	329,000	329,000	329,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Allotted, called up and fully paid				
£1 Ordinary shares	306,000	306,000	306,000	306,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

13. Profit and loss account	2000
	£
1 January 2000	1,849,125
Deficit for the year	(557)
	<u> </u>
31 December 2000	1,848,568
	<u> </u>

14. Financial commitments	2000	1999
	£	£
Contracted but not provided for	-	-
	<u> </u>	<u> </u>

15. **Other financial commitments**
 At the balance sheet date, the company had annual commitments under non-cancellable operating leases, expiring;

	2000	1999
	£	£
Between two and five years	49,180	27,412
	<u> </u>	<u> </u>

16. **Ultimate parent undertaking**

The company's ultimate parent undertaking at the balance sheet date was RB Beitlich Industriebeteiligungen GmbH, a company incorporated in Germany. The company's ultimate controlling party is Vermogenstrager Beitlich GbmH.

CHEMISCHE FABRIK TUBINGEN (UK) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (cont...)

FOR THE YEAR ENDED 31 DECEMBER 2000

17. Related party transactions

During the year the company purchased goods to the value of £3,093,376 from other group companies. At the balance sheet date, the amounts due to these companies amounted to £361,284 (1999 - £878,174).

18. Notes to the cashflow statement

Reconciliation of operating profit to net cash inflow from operating activities	2000 £	1999 £
Operating profit	399,384	562,055
Depreciation charges	69,400	99,037
Profit on sale of fixed assets	(10,364)	(8,780)
Decrease/(increase) in stocks	104,174	(103,923)
Decrease/(increase) in debtors	254,484	(258,745)
(Decrease)/increase in creditors	(605,024)	262,982
	<hr/>	<hr/>
Net cash inflow from operating activities	212,054	552,626
	<hr/>	<hr/>
Analysis of changes in net funds as shown in the balance sheet		
Balance at 1 January 2000	1,275,772	948,809
Net cash (outflow)/inflow	(731,495)	326,963
	<hr/>	<hr/>
Balance at 31 December 2000	544,277	1,275,772
	<hr/>	<hr/>
Analysis of the balances of net funds as shown in the balance sheet		Change in year
	2000 £	1999 £
Cash at bank and in hand	544,277	1,275,772
	<hr/>	<hr/>