

Hickson Chemicals Limited

**Directors' report and financial
statements**

Registered number 2012996

31 December 2001



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Directors' report

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

Principal activity

The company was dormant throughout the year.

Review of the year

During the year the company has not traded and there has been no income or expenditure and therefore no change in the company's position has arisen.

Directors and directors' interests

The directors who served between 1 January 2001 and the date of this report were:


PE Boardman	(resigned 1 February 2001)
JK Maiden	(resigned 31 October 2001)
M Prime	(appointed 1 February 2001 – resigned 31 December 2001)
G Buchan	(appointed 1 November 2001)
JF Langton	(appointed 1 January 2002)

None of the directors who held office at the end of the year had any interest in the share capital of the company.
The company maintains insurance for its officers against liabilities in relation to the company.

Auditors

In accordance with section 384 of the Companies Act 1985 a resolution for the reappointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board



G Buchan
Secretary

Wheldon Road
Castleford
West Yorkshire
WF10 2JT

19 December 2002

Statement of 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 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;
- 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.

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc

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Leeds
LS1 4DW
United Kingdom

Independent auditors' report to the members of Hickson Chemicals Limited

We have audited the financial statements on pages 4 to 6.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditors

19 December 2002

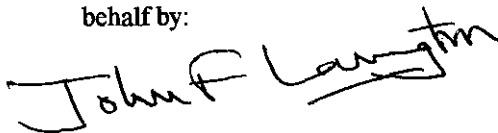
Profit and loss account
for the year ended 31 December 2001

During the financial year and the preceding financial year the company has not traded and has received no income and incurred no expenditure. Consequently, during those periods the company has made neither a profit nor a loss.

Balance sheet
at 31 December 2001

	<i>Note</i>	2001 £000	2000 £000
Fixed assets			
Investments	3	-	-
Creditors: amounts falling due within one year	4	(231)	(231)
Net liabilities		<u>(231)</u>	<u>(231)</u>
Capital and reserves			
Called up equity share capital	5	21	21
Profit and loss account		<u>(252)</u>	<u>(252)</u>
Equity shareholders' funds		<u>(231)</u>	<u>(231)</u>

These financial statements were approved by the board of directors on 19 December 2002 and were signed on its behalf by:



JF Langton
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

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

The company has taken advantage of the exemption, under the terms of Financial Reporting Standard 8, from disclosing related party transactions (but not balances) with entities that are part of the Arch Chemicals UK Holdings Limited group.

Investments in subsidiary and associated undertakings

Investments in subsidiary and associated undertakings are stated in the balance sheet at cost, less any provision for impairment in value.

Deferred taxation

No provision is made for deferred taxation unless there is a reasonable probability that a liability will arise in the foreseeable future.

2 Directors' emoluments and auditors' remuneration

None of the directors received any emoluments in respect of their services to the company during the year (2000: £nil).

Auditors' remuneration is borne by another group company.

3 Investments

	2001 £000	2000 £000
Shares in group undertakings	-	-
The amount comprises:		
Cost	2,325	2,325
Provisions	(2,325)	(2,325)
At 31 December	-	-

The company owns the entire issued share capital of Manro Holdings (Proprietary) Limited, a company registered in South Africa. Manro Holdings (Proprietary) Limited owns the entire issued share capital of Hickson Chemical Holdings (Proprietary) Limited, a company registered and operating in South Africa. The company is exempt from preparing group accounts, being a wholly owned subsidiary of Arch Chemicals UK Holdings Limited, a company incorporated in Great Britain. Full provision has been made against the cost of the company's investments in its subsidiary undertaking.

Notes (continued)

4 Creditors: amounts falling due within one year

	2001 £000	2000 £000
Amounts owed to parent undertaking	231	231

5 Share capital

	2001 £000	2000 £000
<i>Authorised</i>		
'A' ordinary shares of £1 each	40	40
'B' ordinary shares of £1 each	10	10
	<u>50</u>	<u>50</u>
<i>Allotted, called up and fully paid</i>		
'A' ordinary shares of £1 each	18	18
'B' ordinary shares of £1 each	3	3
	<u>21</u>	<u>21</u>

The 'A' ordinary shares and 'B' ordinary shares hold the same voting rights, dividend rights and rights in winding up of the company.

6 Reconciliation of movement in shareholders' funds

	2001 £000	2000 £000
Opening and closing shareholders' funds	(231)	(231)

7 Ultimate parent company

The company is an immediate subsidiary undertaking of Hickson International Limited, which is registered in England. Copies of this company's financial statements are available from Wheldon Road, Castleford, West Yorkshire, WF10 2JT.

The intermediate parent undertaking is Arch Chemicals UK Holdings Limited, which is registered in England and is the smallest group that prepares financial statements including the results of the company. Copies of these financial statements are available from Site 7, Kidderminster Road, Cutnall Green, Droitwich, Worcester, WR9 0NS.

The ultimate parent undertaking is Arch Chemicals, Inc., which is incorporated in Virginia, USA and has its principal office in Connecticut, USA. The accounts and annual report of Arch Chemicals, Inc. can be obtained from the Arch website www.archchemicals.com, or alternatively from Arch Chemicals, Inc., 501 Merritt 7, PO Box 5204, Norwalk, CT06856-5204.