

REGISTRAR'S COPY

Company Registration No. 1378621 (England and Wales)

D.I.P.T. LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2001



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D.I.P.T. LIMITED

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D.I.P.T. 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 the sale, hire and servicing of industrial power tools and equipment.

Both the level of business and the year end financial position were satisfactory and the directors expect that the present level of activity will be sustained for the foreseeable future.

Results and dividends

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

No dividend was paid or proposed during the year.

Directors

The following directors have held office since 1 January 2001:

R.B. Sanders
S. D. Lovatt
N. P. Rooney

Directors' interests

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

	Ordinary shares of £ 1 each	
	31 December 2001	1 January 2001
R.B. Sanders	125,000	125,000
S. D. Lovatt	-	-
N. P. Rooney	-	-

Charitable contributions

Auditors

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

D.I.P.T. LIMITED

DIRECTORS' REPORT 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



S. D. Lovatt

Director

7 October 2002

D.I.P.T. LIMITED

AUDITORS' REPORT TO D.I.P.T. LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 14, 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 14 are properly prepared in accordance with that provision.



Clear & Lane

Chartered Accountants
Registered Auditor

340 Melton Road
Leicester
LE4 7SL

7 October 2002

D.I.P.T. LIMITED

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

	Notes	2001 £	2000 £
Gross profit		2,073,902	2,200,403
Distribution costs		(570,902)	(599,063)
Administrative expenses		(1,362,533)	(1,588,135)
Other operating income		1,176	272
Operating profit	2	141,643	13,477
Other interest receivable and similar income		5,375	2,636
Interest payable and similar charges	3	(1,659)	(2,252)
Profit on ordinary activities before taxation		145,359	13,861
Tax on profit on ordinary activities	4	(49,830)	(5,310)
Profit on ordinary activities after taxation	12	95,529	8,551

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There is no difference between the profit before tax and the profit for the year stated above, and their historical cost equivalents.

There are no recognised gains and losses other than those passing through the profit and loss account.

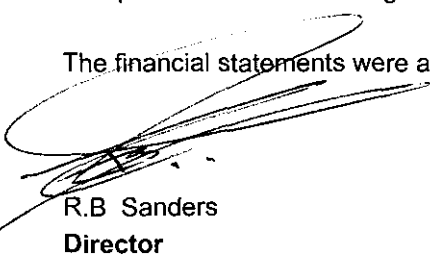
D.I.P.T. LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	2001 £	2000 £
Fixed assets			
Tangible assets	5	1,284,973	1,298,057
Current assets			
Stocks	6	1,126,696	1,003,349
Debtors	7	1,459,017	1,496,632
Cash at bank and in hand		33,845	274,631
		<u>2,619,558</u>	<u>2,774,612</u>
Creditors: amounts falling due within one year	8	<u>(1,169,362)</u>	<u>(1,441,700)</u>
Net current assets		<u>1,450,196</u>	<u>1,332,912</u>
Total assets less current liabilities		<u>2,735,169</u>	<u>2,630,969</u>
Creditors: amounts falling due after more than one year	9	<u>(8,671)</u>	<u>-</u>
		<u>2,726,498</u>	<u>2,630,969</u>
Capital and reserves			
Called up share capital	11	125,000	125,000
Profit and loss account	12	2,601,498	2,505,969
Shareholders' funds - equity interests	13	<u>2,726,498</u>	<u>2,630,969</u>

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 7 October 2002


R.B. Sanders
Director


S. D. Lovatt
Director

D.I.P.T. LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2001

	2001 £	2000 £
Net cash (outflow)/inflow from operating activities	(136,130)	461,445
Returns on investments and servicing of finance		
Interest received	5,375	2,636
Interest paid	(1,659)	(2,252)
	<u>3,716</u>	<u>384</u>
Net cash inflow for returns on investments and servicing of finance	3,716	384
Taxation	(5,370)	(59,226)
Capital expenditure		
Payments to acquire tangible assets	(193,293)	(62,895)
Receipts from sales of tangible assets	25,317	44,624
	<u>(167,976)</u>	<u>(18,271)</u>
Net cash outflow for capital expenditure	(167,976)	(18,271)
	<u>(305,760)</u>	<u>384,332</u>
Net cash (outflow)/inflow before management of liquid resources and financing	(305,760)	384,332
Financing		
Hire purchase advance	13,572	-
Hire purchase repayment	(377)	-
	<u>(13,195)</u>	<u>-</u>
Net cash inflow from financing	(13,195)	-
(Decrease)/increase in cash in the year	<u>(292,565)</u>	<u>384,332</u>

D.I.P.T. 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	141,643	13,477
	Depreciation of tangible assets	155,720	144,451
	Loss/(profit) on disposal of tangible assets	25,340	(34,546)
	(Increase) in stocks	(123,347)	(39,619)
	Decrease in debtors	37,615	40,097
	(Decrease)/Increase in creditors within one year	(373,101)	337,585
	Net cash (outflow)/inflow from operating activities	(136,130)	461,445

2	Analysis of net (debt)/funds	1 January 2001 £	Cash flow £	Other non-cash changes £	31 December 2001 £
	Net cash:				
	Cash at bank and in hand	274,631	(240,786)	-	33,845
	Bank overdrafts	(145,835)	(51,779)	-	(197,614)
		<u>128,796</u>	<u>(292,565)</u>		<u>(163,769)</u>
	Debt:				
	Finance leases	-	(13,195)	-	(13,195)
	Net funds/(debt)	<u>128,796</u>	<u>(305,760)</u>	<u>-</u>	<u>(176,964)</u>

3	Reconciliation of net cash flow to movement in net (debt)/funds	2001 £	2000 £
	(Decrease)/increase in cash in the year	(292,565)	384,333
	Cash inflow from increase in debt and lease financing	(13,195)	-
	Movement in net (debt)/funds in the year	(305,760)	384,333
	Opening net funds/(debt)	128,796	(255,537)
	Closing net (debt)/funds	(176,964)	128,796

D.I.P.T. 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.

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 less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	2%
Leasehold improvements	Over remaining period of lease.
Plant & machinery	15% to 30%
Fixtures & fittings	15%
Motor vehicles	25% and 33%

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Stock

Stock is valued at the lower of cost and net realisable value on a basis consistent with previous years. Provision has been made, where necessary, for obsolescent, slow moving and defective stock.

1.6 Pensions

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

1.7 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.

D.I.P.T. LIMITED

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

2	Operating profit	2001	2000
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	155,720	144,450
	Loss / (profit) on disposal of fixed assets	25,340	(34,546)
	Operating lease rentals - plant and machinery	169,182	143,249
	Operating lease rentals - land and buildings	82,751	80,041
	Hire of plant and machinery	24,189	4,933
	Auditors' remuneration	6,000	6,000
	Non-audit remuneration	6,570	7,290
3	Interest payable	2001	2000
		£	£
	On bank loans and overdraft	518	2,042
	Interest on overdue tax	949	210
	Hire purchase interest	192	-
		1,659	2,252
4	Taxation	2001	2000
		£	£
	U.K. current year taxation		
	U.K. corporation tax at 20% (2000 - 20%)	49,830	5,370
	Prior years		
	U.K. corporation tax	-	(60)
		49,830	5,310

D.I.P.T. LIMITED

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

5 Tangible fixed assets

	Freehold buildings	Leasehold improve - ments	Plant & machinery	Fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2001	1,069,060	141,406	1,042,816	517,866	24,000	2,795,148
Additions	2,695	27,871	103,687	22,596	36,444	193,293
Disposals	-	(43,374)	(48,239)	(38,777)	(13,000)	(143,390)
At 31 December 2001	1,071,755	125,903	1,098,264	501,685	47,444	2,845,051
Depreciation						
At 1 January 2001	60,740	72,029	933,887	417,935	12,500	1,497,091
On disposals	-	(22,122)	(37,120)	(23,741)	(9,750)	(92,733)
Charge for the year	15,629	19,639	68,212	40,379	11,861	155,720
At 31 December 2001	76,369	69,546	964,979	434,573	14,611	1,560,078
Net book value						
At 31 December 2001	995,386	56,357	133,285	67,112	32,833	1,284,973
At 31 December 2000	1,008,320	69,377	108,899	99,931	11,530	1,298,057

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant & machinery £
Net book values	
At 31 December 2001	12,131
Depreciation charge for the year	
31 December 2001	2,141

Included in freehold land and buildings is land costing £290,312 (2000 : £290,312) which is not depreciated.

6 Stocks	2001 £	2000 £
Goods for resale	1,126,696	1,003,349

D.I.P.T. LIMITED

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

7 Debtors	2001	2000
	£	£
Trade debtors	1,313,944	1,291,836
Other debtors	39,778	100,577
Prepayments and accrued income	105,295	104,219
	<u>1,459,017</u>	<u>1,496,632</u>

8 Creditors: amounts falling due within one year	2001	2000
	£	£
Bank overdraft - note (a) below	197,614	145,835
Net obligations under finance lease and hire purchase contracts -note 10(a)	4,524	-
Trade creditors	675,795	752,349
Corporation tax	49,830	5,370
Other taxes and social security costs	118,554	176,479
Director's current account - note (b) below	6,093	-
Other creditors	48,508	337,224
Accruals and deferred income	68,444	24,443
	<u>1,169,362</u>	<u>1,441,700</u>

(a) The bank overdraft is secured by a debenture over the company's assets.

(b) The director's current account is interest free and repayable on demand.

9 Creditors: amounts falling due after more than one year	2001	2000
	£	£
Net obligations under hire purchase agreements - note (a)	<u>8,671</u>	<u>-</u>
Net obligations under finance leases and hire purchase contracts		
Net advance	14,682	-
Capital repayments	<u>(1,487)</u>	<u>-</u>
	13,195	-
Included in liabilities falling due within one year	<u>(4,524)</u>	<u>-</u>
	<u>8,671</u>	<u>-</u>

(a) Obligations under hire purchase contracts are at normal commercial rates of interests and are secured on the assets concerned. All hire purchase contracts are repayable within 5 years.

D.I.P.T. LIMITED

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

10 Pension costs

Defined contribution

	2001 £	2000 £
Contributions payable by the company for the year	21,579	16,588

11 Share capital

	2001 £	2000 £
Authorised		
200,000 Ordinary shares of £ 1 each	200,000	200,000
Allotted, called up and fully paid		
125,000 Ordinary shares of £ 1 each	125,000	125,000

12 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2001	2,505,969
Retained profit for the year	95,529
Balance at 31 December 2001	2,601,498

13 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
Profit for the financial year	95,529	8,551
Opening shareholders' funds	2,630,969	2,622,418
Closing shareholders' funds	2,726,498	2,630,969

D.I.P.T. LIMITED

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

14 Financial commitments

At 31 December 2001 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Plant and machinery	
	2001	2000	2001	2000
	£	£	£	£
Expiry date:				
Within one year	20,000	-	29,397	23,265
Between two and five years	33,000	50,500	102,589	73,838
In over five years	34,000	46,000	-	1,560
	<u>87,000</u>	<u>96,500</u>	<u>131,986</u>	<u>98,663</u>

15 Directors' emoluments

	2001	2000
	£	£
Emoluments for qualifying services	147,000	433,800
Company pension contributions to money purchase schemes	2,240	1,800
	<u>149,240</u>	<u>435,600</u>

16 Employees

Number of employees

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

	2001	2000
	Number	Number
Production	4	4
Selling & distribution	45	45
Administration	12	12
	<u>61</u>	<u>61</u>

Employment costs

	£	£
Wages and salaries (including employer's national insurance)	1,185,178	1,479,183
Other pension costs	21,579	16,588
	<u>1,206,757</u>	<u>1,495,771</u>

D.I.P.T. LIMITED

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

17 Control

The company is under the control of Mr R. B. Sanders.

18 Directors' transactions

Other debtors included the following outstanding loans to directors and their associates:-

	2001	2000
	£	£
Mr and Mrs N. P. Rooney	10,000	10,000
Mr C. K. Sanders	23,000	5,000
Mr S. D. Lovatt	5,000	5,000
	38,000	20,000

Mr S. D. Lovatt and Mr N. P. Rooney are directors of the company and Mrs Rooney is an employee of the company. Mr C. K. Sanders is the son of Mr R. B. Sanders who is a director of the company. The above balances represent the maximum outstanding during the year. The loan to Mr. C.K. Sanders was repaid in September 2002

The company paid rent of £32,000 in the year to the D.I.P.T. Retirement Fund. Mr R. B. Sanders is a member of the D.I.P.T. retirement scheme.