

Company Registration No. 1378621 (England and Wales)

D.I.P.T. LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2003



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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 2003

The directors present their report and financial statements for the year ended 31 December 2003.

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.

Interim dividends totalling £37,800 were paid during the year and it was proposed that no further dividends should be paid in the year.

Directors

The following directors have held office since 1 January 2003:

R.B. Sanders

C. K. Sanders

S. D. Lovatt

N. P. Rooney

(Appointed 1 July 2003)

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 2003	1 January 2003
R.B. Sanders	124,999	124,999
C. K. Sanders	-	-
S. D. Lovatt	-	-
N. P. Rooney	-	-

	'A' Ordinary share of £ 1 each	
	31 December 2003	1 January 2003
R.B. Sanders	1	1
C. K. Sanders	-	-
S. D. Lovatt	-	-
N. P. Rooney	-	-

Charitable contributions

The company made charitable donations totalling £1,562 during the year.

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 2003

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

23 September 2004

D.I.P.T. LIMITED

INDEPENDENT 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 16, together with the financial statements of the company for the year ended 31 December 2003 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company's members, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 audit 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 16 are properly prepared in accordance with that provision.



Clear & Lane
Chartered Accountants
Registered Auditor
340 Melton Road
Leicester
LE4 7SL

28 September 2004

D.I.P.T. LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	2003 £	2002 £
Gross profit		1,990,786	1,905,607
Distribution costs		(427,438)	(403,677)
Administrative expenses		(1,481,496)	(1,364,447)
Other operating income		4,145	915
Operating profit	2	85,997	138,398
Other interest receivable and similar income		1,926	571
Interest payable and similar charges	3	(859)	(6,093)
Profit on ordinary activities before taxation		87,064	132,876
Tax on profit on ordinary activities	4	(26,793)	(38,096)
Profit on ordinary activities after taxation		60,271	94,780
Dividends	5	(37,800)	(6,300)
Retained profit for the year	13	22,471	88,480

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.

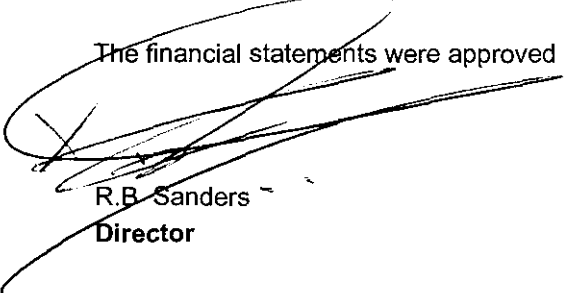
D.I.P.T. LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 2003

	Notes	2003 £	£	2002 £	£
Fixed assets					
Tangible assets	6		1,218,559		1,293,527
Current assets					
Stocks	7	1,053,969		1,185,506	
Debtors	8	1,240,726		1,470,723	
Cash at bank and in hand		279,276		27,138	
		<u>2,573,971</u>		<u>2,683,367</u>	
Creditors: amounts falling due within one year	9	<u>(955,082)</u>		<u>(1,158,147)</u>	
Net current assets			<u>1,618,889</u>		<u>1,525,220</u>
Total assets less current liabilities			<u>2,837,448</u>		<u>2,818,747</u>
Creditors: amounts falling due after more than one year	10		<u>-</u>		<u>(3,770)</u>
			<u>2,837,448</u>		<u>2,814,977</u>
Capital and reserves					
Called up share capital	12		125,000		125,000
Profit and loss account	13		2,712,448		2,689,977
Shareholders' funds - equity interests	14		<u>2,837,448</u>		<u>2,814,977</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 23 September 2004


R.B. Sanders
Director


S. D. Lovatt
Director

D.I.P.T. LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2003

	£	2003 £	£	2002 £
Net cash inflow from operating activities		578,314		233,180
Returns on investments and servicing of finance				
Interest received	1,926		571	
Interest paid	(859)		(6,093)	
Net cash inflow/(outflow) for returns on investments and servicing of finance		1,067		(5,522)
Taxation		(34,780)		(52,143)
Capital expenditure				
Payments to acquire tangible assets	(150,023)		(213,516)	
Receipts from sales of tangible assets	72,389		67,604	
Net cash outflow for capital expenditure		(77,634)		(145,912)
Equity dividends paid		(37,800)		(6,300)
Net cash inflow before management of liquid resources and financing		429,167		23,303
Financing				
Hire purchase repayment	(4,524)		(4,901)	
Net cash outflow from financing		(4,524)		(4,901)
Increase in cash in the year		424,643		18,402

D.I.P.T. LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2003

1	Reconciliation of operating profit to net cash inflow from operating activities	2003	2002
		£	£
	Operating profit	85,997	138,398
	Depreciation of tangible assets	147,517	159,878
	Loss/(profit) on disposal of tangible assets	5,086	(22,522)
	Decrease/(increase) in stocks	131,537	(58,810)
	Decrease/(increase) in debtors	229,997	(11,706)
	(Decrease)/Increase in creditors within one year	(21,820)	27,943
	Net cash inflow from operating activities	578,314	233,181

2	Analysis of net funds/(debt)	1 January 2003	Cash flow	Other non-cash changes	31 December 2003
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	27,138	252,138	-	279,276
	Bank overdrafts	(172,505)	172,505	-	-
		(145,367)	424,643	-	279,276
	Debt:				
	Hire purchase	(8,294)	4,524	-	(3,770)
	Net (debt)/funds	(153,661)	429,167	-	275,506

3	Reconciliation of net cash flow to movement in net funds/(debt)	2003	2002
		£	£
	Increase in cash in the year	424,643	46,929
	Cash (outflow) from (increase) in liquid resources	-	(28,527)
	Cash outflow from decrease in hire purchase	4,524	4,901
	Movement in net funds/(debt) in the year	429,167	23,303
	Opening net debt	(153,661)	(176,964)
	Closing net funds/(debt)	275,506	(153,661)

D.I.P.T. LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

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	10% 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 FRS 17.

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 2003

2	Operating profit	2003	2002
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	147,517	159,877
	Loss/(profit) on disposal of fixed assets	5,086	(22,522)
	Operating lease rentals - plant and machinery	187,575	175,828
	Operating lease rentals - land and buildings	105,768	88,735
	Auditors' remuneration	5,000	6,000
	Non-audit remuneration	5,000	6,000
		<u> </u>	<u> </u>
3	Interest payable	2003	2002
		£	£
	On bank loans and overdraft	369	4,656
	Interest on overdue tax	(20)	885
	Hire purchase interest	510	552
		<u> </u>	<u> </u>
		859	6,093
		<u> </u>	<u> </u>
4	Taxation	2003	2002
		£	£
	Domestic current year tax		
	U.K. corporation tax	27,795	37,223
	Adjustment for prior years	(1,002)	873
		<u> </u>	<u> </u>
	Current tax charge	26,793	38,096
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	87,064	132,876
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2002: 19.25%)	16,542	25,579
		<u> </u>	<u> </u>
	Effects of:		
	Non deductible expenses	2,688	7,066
	Depreciation add back	28,029	30,776
	Capital allowances	(20,430)	(21,863)
	Adjustments to previous periods	(1,002)	873
	Chargeable disposals	966	(4,335)
		<u> </u>	<u> </u>
		10,251	12,517
		<u> </u>	<u> </u>
	Current tax charge	26,793	38,096
		<u> </u>	<u> </u>

D.I.P.T. LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

5	Dividends	2003 £	2002 £
	Ordinary interim paid	<u>37,800</u>	<u>6,300</u>

D.I.P.T. LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

6 Tangible fixed assets

	Freehold buildings	Leasehold improve - ments	Plant & machinery	Fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2003	1,075,230	131,373	1,145,913	519,088	51,070	2,922,674
Additions	-	2,275	73,231	12,926	61,591	150,023
Disposals	-	-	(44,828)	-	(51,070)	(95,898)
At 31 December 2003	1,075,230	133,648	1,174,316	532,014	61,591	2,976,799
Depreciation						
At 1 January 2003	92,067	84,344	971,970	467,997	12,768	1,629,146
On disposals	-	-	(5,655)	-	(12,768)	(18,423)
Charge for the year	15,698	11,407	81,408	23,606	15,398	147,517
At 31 December 2003	107,765	95,751	1,047,723	491,603	15,398	1,758,240
Net book value						
At 31 December 2003	967,465	37,897	126,593	40,411	46,193	1,218,559
At 31 December 2002	983,163	47,029	173,912	51,091	38,332	1,293,527

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

	Plant & machinery £
Net book values	
At 31 December 2003	7,850
At 31 December 2002	9,990
Depreciation charge for the year	
31 December 2003	2,141
31 December 2002	2,141

Included in freehold land and buildings is land costing £290,312 (2002 : £290,312) which is not depreciated.

D.I.P.T. LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

7	Stocks	2003	2002
		£	£
	Goods for resale	1,053,969	1,185,506
		<u> </u>	<u> </u>
8	Debtors	2003	2002
		£	£
	Trade debtors	1,051,013	1,250,075
	Other debtors	24,926	92,731
	Prepayments and accrued income	164,787	127,917
		<u> </u>	<u> </u>
		1,240,726	1,470,723
		<u> </u>	<u> </u>
9	Creditors: amounts falling due within one year	2003	2002
		£	£
	Bank overdraft - note (a) below	-	172,505
	Net obligations under hire purchase contracts - note 11 (b)	3,770	4,524
	Trade creditors	741,709	743,690
	Corporation tax	27,795	35,781
	Other taxes and social security costs	105,560	131,028
	Other creditors	52,714	47,433
	Accruals and deferred income	23,534	23,186
		<u> </u>	<u> </u>
		955,082	1,158,147
		<u> </u>	<u> </u>

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

D.I.P.T. LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

10 Creditors: amounts falling due after more than one year	2003 £	2002 £
Net obligations under hire purchase contracts - note (b)	-	3,770
Net obligations under hire purchase contracts		
Net advance	14,682	14,682
Capital repayments	(10,912)	(6,388)
	3,770	8,294
Included in liabilities falling due within one year	(3,770)	(4,524)
	-	3,770

(b) 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.

11 Pension costs

Defined contribution

	2003 £	2002 £
Contributions payable by the company for the year	86,423	22,748

12 Share capital

	2003 £	2002 £
Authorised		
200,000 Ordinary shares of £1 each	200,000	200,000
Allotted, called up and fully paid		
124,999 Ordinary shares of £1 each	124,999	124,999
1 'A' Ordinary share of £1 each	1	1
	125,000	125,000

D.I.P.T. LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2003	2,689,977
Retained profit for the year	22,471
Balance at 31 December 2003	2,712,448

14 Reconciliation of movements in shareholders' funds

	2003 £	2002 £
Profit for the financial year	60,271	94,780
Dividends	(37,800)	(6,300)
Net addition to shareholders' funds	22,471	88,480
Opening shareholders' funds	2,814,977	2,726,497
Closing shareholders' funds	2,837,448	2,814,977

15 Financial commitments

At 31 December 2003 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Plant and machinery	
	2003	2002	2003	2002
	£	£	£	£
Expiry date:				
Within one year	-	51,000	18,878	8,788
Between two and five years	8,000	-	58,618	169,877
In over five years	82,500	34,000	-	-
	90,500	85,000	77,496	178,665

D.I.P.T. LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

16 Directors' emoluments	2003 £	2002 £
Emoluments for qualifying services	145,404	161,998
Company pension contributions to money purchase schemes	63,120	2,995
	<u>148,399</u>	<u>164,238</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2002- 2).

17 Employees

Number of employees

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

	2003 Number	2002 Number
Production	4	4
Selling & distribution	47	47
Administration	12	12
	<u>63</u>	<u>63</u>

Employment costs

	£	£
Wages and salaries (including employer's national insurance)	1,305,826	1,191,985
Other pension costs	86,423	22,748
	<u>1,392,249</u>	<u>1,214,733</u>

18 Control

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

D.I.P.T. LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2003

19 Directors' transactions

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

	2002 £	2001 £
Mr R. B. Sanders	4,552	27,476
Mr and Mrs N. P. Rooney	10,000	50,000
Mr S. D. Lovatt	5,000	5,000
	<u>19,552</u>	<u>82,476</u>

Mr R. B. Sanders, Mrs S. D. Lovatt and Mr N. P. Rooney are directors of the company and Mrs Rooney is an employee of the company. The maximum amount outstanding during the year from Mr R. B. Sanders and Mr N. P. Rooney was £41,150 and £50,000, respectively. There was no movement on the loan to Mr S. D. Lovatt during the year.

The company paid rent of £32,000 in the year to the D.I.P.T. Retirement Fund. The spouse of Mr R. B. Sanders and Mr C. K. Sanders are members of the D.I.P.T. Retirement Scheme.

Mr R. B. Sanders purchased a motor vehicle from the company during the year at an open market value of £40,000.