Company Registration No. 1378621 (England and Wales)

D.I.P.T. LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2004



D.I.P.T. LIMITED

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D.I.P.T. LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2004

The directors present their report and financial statements for the year ended 31 December 2004.

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 forseeable future.

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

Interim dividends totalling £75,200 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 2004:

R.B Sanders
C. K. 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 2004	**1 January 2004**
R.B Sanders	124,999	124,999
C. K. Sanders	-	-
S. D. Lovatt	-	-
N. P. Rooney	-	-

	'A' Ordinary share of £ 1 each	
	31 December 2004	**1 January 2004**
R.B Sanders	1	1
C. K. Sanders	-	-
S. D. Lovatt	-	-
N. P. Rooney	-	-

Charitable contributions
The company made charitable donations totalling £3,706 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 2004

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 2005

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 15, together with the financial statements of the company for the year ended 31 December 2004 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 15 are properly prepared in accordance with that provision.

Clear & Lane

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

26 September 2005

D.I.P.T. LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2004

	Notes	2004 £	2003 £
Gross profit		2,049,413	1,990,786
Distribution costs		(482,879)	(427,438)
Administrative expenses		(1,375,878)	(1,481,496)
Other operating income		13,913	4,145
Operating profit	**2**	204,569	85,997
Other interest receivable and similar income		6,296	1,926
Interest payable and similar charges	**3**	(540)	(859)
Profit on ordinary activities before taxation		210,325	87,064
Tax on profit on ordinary activities	**4**	(46,107)	(26,793)
Profit on ordinary activities after taxation		164,218	60,271
Dividends	**5**	(75,200)	(37,800)
Retained profit for the year	**12**	89,018	22,471

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 2004

	Notes	2004 £	2004 £	2003 £	2003 £
Fixed assets					
Tangible assets	6		1,160,639		1,218,559
Current assets					
Stocks	7	1,138,030		1,053,969	
Debtors	8	1,322,925		1,240,726	
Cash at bank and in hand		173,317		279,276	
		2,634,272		2,573,971	
Creditors: amounts falling due within one year	9	(868,445)		(955,082)	
Net current assets			1,765,827		1,618,889
Total assets less current liabilities			2,926,466		2,837,448
Capital and reserves					
Called up share capital	11		125,000		125,000
Profit and loss account	12		2,801,466		2,712,448
Shareholders' funds - equity interests	13		2,926,466		2,837,448

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 2005

R.B. Sanders
Director

S. D. Lovatt
Director

D.I.P.T. LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2004

	£	2004 £	£	2003 £
Net cash inflow from operating activities		39,957		578,314
Returns on investments and servicing of finance				
Interest received	6,296		1,926	
Interest paid	(540)		(859)	
Net cash inflow for returns on investments and servicing of finance		5,756		1,067
Taxation		(27,795)		(34,780)
Capital expenditure				
Payments to acquire tangible assets	(112,978)		(150,023)	
Receipts from sales of tangible assets	60,498		72,389	
Net cash outflow for capital expenditure		(52,480)		(77,634)
Equity dividends paid		(75,200)		(37,800)
Net cash (outflow)/inflow before management of liquid resources and financing		(109,762)		429,167
Financing				
Hire purchase repayment	(3,770)		(4,524)	
Net cash outflow from financing		(3,770)		(4,524)
(Decrease)/increase in cash in the year		(113,532)		424,643

D.I.P.T. LIMITED

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2004

1 Reconciliation of operating profit to net cash inflow from operating activities

	2004	2003
	£	£
Operating profit	204,569	85,997
Depreciation of tangible assets	122,335	147,517
(Profit)/loss on disposal of tangible assets	(11,935)	5,086
(Increase)/decrease in stocks	(84,061)	131,537
(Increase)/decrease in debtors	(82,199)	229,997
Decrease in creditors within one year	(108,752)	(21,820)
Net cash inflow from operating activities	39,957	578,314

2 Analysis of net funds

	1 January 2004	Cash flow	Other non-cash changes	31 December 2004
	£	£	£	£
Net cash:				
Cash at bank and in hand	279,276	(105,959)	-	173,317
Bank overdrafts	-	(7,573)	-	(7,573)
	279,276	(113,532)	-	165,744
Debt:				
Hire purchase	(3,770)	3,770	-	-
Net funds	275,506	(109,762)	-	165,744

3 Reconciliation of net cash flow to movement in net funds

	2004	2003
	£	£
(Decrease)/increase in cash in the year	(113,532)	424,643
Cash outflow from decrease in hire purchase	3,770	4,524
Movement in net funds in the year	(109,762)	429,167
Opening net funds/(debt)	275,506	(153,661)
Closing net funds	165,744	275,506

D.I.P.T. LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004

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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 obsolecent, 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.

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004

2 Operating profit

	2004	2003
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	122,335	147,517
(Profit)/loss on disposal of fixed assets	(11,935)	5,086
Operating lease rentals - plant and machinery	172,282	187,575
Operating lease rentals - land and buildings	99,463	105,768
Exceptional item (see note below)	(46,862)	-
Auditors' remuneration	5,000	5,000
Non-audit remuneration	5,000	5,000

The exceptional item relates to the write off of an inter-company account with D.I.P.T. (Nottingham) Limited. The company was dissolved on 16 June 1992 and therefore the balance will never be payable.

3 Interest payable

	2004	2003
	£	£
On bank loans and overdraft	65	369
Interest on overdue tax	-	(20)
Hire purchase interest	475	510
	540	859

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004

4 Taxation	2004 £	2003 £
Domestic current year tax		
U.K. corporation tax	46,107	27,795
Adjustment for prior years	-	(1,002)
Current tax charge	46,107	26,793
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	210,325	87,064
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2003: 19.00%)	39,962	16,542
Effects of:		
Non deductible expenses	2,385	2,688
Depreciation add back	20,976	28,995
Capital allowances	(17,216)	(20,430)
Adjustments to previous periods	-	(1,002)
	6,145	10,251
Current tax charge	46,107	26,793

5 Dividends	2004 £	2003 £
Ordinary interim paid	75,200	37,800

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004

6 Tangible fixed assets

	Freehold buildings	Leasehold improve - ments	Plant & machinery	Fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2004	1,075,230	133,648	1,174,316	532,015	61,591	2,976,800
Additions	-	3,466	67,219	2,272	40,021	112,978
Disposals	-	-	(16,493)	-	(61,591)	(78,084)
At 31 December 2004	1,075,230	137,114	1,225,042	534,287	40,021	3,011,694
Depreciation						
At 1 January 2004	107,765	95,751	1,047,723	491,604	15,398	1,758,241
On disposals	-	-	(14,123)	-	(15,398)	(29,521)
Charge for the year	15,698	6,399	79,377	10,856	10,005	122,335
At 31 December 2004	123,463	102,150	1,112,977	502,460	10,005	1,851,055
Net book value						
At 31 December 2004	951,767	34,964	112,065	31,827	30,016	1,160,639
At 31 December 2003	967,465	37,897	126,593	40,411	46,193	1,218,559

Included in freehold land and buildings is land costing £290,312 (2003 : £290,312) which is not depreciated.

7 Stocks

	2004	2003
	£	£
Goods for resale	1,138,030	1,053,969

8 *Debtors*

	2004	2003
	£	£
Trade debtors	1,105,523	1,051,013
Other debtors	70,225	24,926
Prepayments and accrued income	147,177	164,787
	1,322,925	1,240,726

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004

9 Creditors: amounts falling due within one year	2004 £	2003 £
Bank overdraft - note (a) below	7,573	-
Net obligations under hire purchase contracts	-	3,770
Trade creditors	680,997	741,709
Corporation tax	46,107	27,795
Other taxes and social security costs	102,492	105,560
Other creditors	-	52,714
Accruals and deferred income	31,276	23,534
	868,445	955,082

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

10 Pension costs

Defined contribution

	2004 £	2003 £
Contributions payable by the company for the year	43,631	86,423

11 Share capital	2004 £	2003 £
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

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004

12 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2004	2,712,448
Retained profit for the year	89,018
Balance at 31 December 2004	2,801,466

13 Reconciliation of movements in shareholders' funds

	2004 £	2003 £
Profit for the financial year	164,218	60,271
Dividends	(75,200)	(37,800)
Net addition to shareholders' funds	89,018	22,471
Opening shareholders' funds	2,837,448	2,814,977
Closing shareholders' funds	2,926,466	2,837,448

14 Financial commitments

At 31 December 2004 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Plant and machinery	
	2004 £	2003 £	2004 £	2003 £
Expiry date:				
Within one year	4,000	-	18,243	18,878
Between two and five years	37,500	8,000	77,091	58,618
In over five years	45,500	82,500	-	-
	87,000	90,500	95,334	77,496

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004

15 Directors' emoluments

	2004	2003
	£	£
Emoluments for qualifying services	169,273	155,785
Company pension contributions to money purchase schemes	20,990	63,120
	190,263	218,905

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2003- 3).

16 Employees

Number of employees

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

	2004	2003
	Number	Number
Production	4	4
Selling & distribution	51	47
Administration	11	12
	66	63

Employment costs

	£	£
Wages and salaries (including employer's national insurance)	1,373,860	1,305,826
Other pension costs	43,631	86,423
	1,417,491	1,392,249

17 Control

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

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004

18 Directors' transactions

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

	2004 £	2003 £
Mr R. B. Sanders	51,859	4,552
Mr and Mrs N. P. Rooney	10,000	10,000
Mr S. D. Lovatt	5,000	5,000
	66,859	19,552

Mr R. B. Sanders, Mr 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, Mr S. D. Lovatt and Mr N. P. Rooney was £106,293, £5,000 and £10,000 respectively. The outstanding loan to Mr R. B. Sanders was repaid in March 2005.

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 £55,000.