

REGISTRAR OF COMPANIES

Company Registration No. 01378621 (England and Wales)

D.I.P.T. LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

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D.I.P.T. LIMITED

COMPANY INFORMATION

Directors	R B Sanders C K Sanders S D Lovatt N P Rooney
Secretary	S D Lovatt
Company number	01378621
Registered office	Unit 2 Riverside Road Pride Park Derby DE24 8HY
Auditors	Clear & Lane 340 Melton Road Leicester LE4 7SL
Business address	Unit 2 Riverside Road Pride Park Derby DE24 8HY

D.I.P.T. LIMITED

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D.I.P.T. LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and financial statements for the year ended 31 December 2011

Principal activities and review of the business

The principal activity of the company is to act as a purchasing agent for and to give management services to its four trading subsidiaries

Turnover increased by approximately 19% which reflected the overall increased level of activity of its trading subsidiaries

The company made a loss after taxation of £15,385 for the year

Results and dividends

The results for the year are set out on page 5

Interim ordinary dividends were paid amounting to £25,200 The directors do not recommend payment of a final dividend

Directors

The following directors have held office since 1 January 2011

R B Sanders
C K Sanders
S D Lovatt
N P Rooney

Auditors

In accordance with the company's articles, a resolution proposing that Clear & Lane be reappointed as auditors of the company will be put to the Annual General Meeting

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 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

D.I.P.T. LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



S D Lovatt
Secretary

19/9/2012

D.I.P.T. LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF D.I.P.T. LIMITED

We have audited the financial statements of D I P T Limited for the year ended 31 December 2011 set out on pages 5 to 15 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 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 auditors' 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

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

D.I.P.T. LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF D.I.P.T. LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or

Clear & Lane

**Ian Hunt FCA (Senior Statutory Auditor)
for and on behalf of Clear & Lane
Chartered Accountants
Statutory Auditor**

340 Melton Road
Leicester
LE4 7SL

19 September 2012

D.I.P.T. LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
Turnover	2	5,242,464	4,388,970
Cost of sales		(5,126,564)	(4,233,624)
Gross profit		115,900	155,346
Distribution costs		1,301	9,584
Administrative expenses		(1,038,720)	(1,023,445)
Other operating income		880,787	867,378
Operating (loss)/profit	3	(40,732)	8,863
Investment income	4	26,738	-
Other interest receivable and similar income	4	229	317
Interest payable and similar charges	5	(3,497)	(618)
(Loss)/profit on ordinary activities before taxation		(17,262)	8,562
Tax on (loss)/profit on ordinary activities	6	1,877	(1,876)
(Loss)/profit for the year	16	(15,385)	6,686

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

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

D.I.P.T. LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Tangible assets	8	136,372		101,370	
Investments	9	2,400		2,400	
		<u>138,772</u>		<u>103,770</u>	
Current assets					
Stocks	10	1,228,710		1,082,465	
Debtors	11	1,345,531		1,284,545	
Cash at bank and in hand		62,169		132,312	
		<u>2,636,410</u>		<u>2,499,322</u>	
Creditors: amounts falling due within one year	12	<u>(1,256,545)</u>		<u>(1,052,008)</u>	
Net current assets		<u>1,379,865</u>		<u>1,447,314</u>	
Total assets less current liabilities		<u>1,518,637</u>		<u>1,551,084</u>	
Creditors: amounts falling due after more than one year	13	<u>(8,138)</u>		<u>-</u>	
		<u>1,510,499</u>		<u>1,551,084</u>	
Capital and reserves					
Called up share capital	15	125,000		125,000	
Profit and loss account	16	1,385,499		1,426,084	
Shareholders' funds - equity interests	17	<u>1,510,499</u>		<u>1,551,084</u>	

The financial statements were approved by the Board on 19th September 2012



S D Lovatt
Director

D.I.P.T. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

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

Revenue is recognised in the period in which the goods are despatched

1.3 Tangible fixed assets and depreciation

Tangible fixed assets 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

Leasehold improvements	Over remaining period of lease
Plant & machinery	10% to 30% straight line
Fixtures & fittings	15% straight line
Motor vehicles	25% straight line

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 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 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.

1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.8 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.

1.9 Group accounts

D I P T Limited is an intermediate holding company within the group. Group accounts are prepared by D I P T Holdings Limited which is the ultimate holding company of the group.

D.I.P.T. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

2 Turnover

The total turnover of the company for the year has been derived from its principal activity

3 Operating (loss)/profit	2011 £	2010 £
Operating profit is stated after charging		
Depreciation of tangible assets	38,836	34,033
(Profit)/loss on disposal of fixed assets	(1,565)	(1,966)
Operating lease rentals - plant and machinery	25,637	29,264
Operating lease rentals - land and buildings	75,282	93,522
Auditors' remuneration	5,500	5,500
Non-audit remuneration	2,000	2,000

4 Investment income	2011 £	2010 £
Income from shares in group undertakings	26,738	-
Bank interest	229	317
	<u>26,967</u>	<u>317</u>

5 Interest payable	2011 £	2010 £
On bank loans and overdraft	1,596	618
Hire purchase interest	366	-
On amounts payable to factors	1,535	-
	<u>3,497</u>	<u>618</u>

6 Taxation	2011 £	2010 £
Domestic current year tax		
U K corporation tax	-	1,876
Adjustment for prior years	(1,877)	-
Total current tax	<u>(1,877)</u>	<u>1,876</u>

7 Dividends	2011 £	2010 £
Ordinary interim paid	<u>25,200</u>	<u>55,200</u>

D.I.P.T. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

8 Tangible fixed assets

	Leasehold improve - ments £	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2011	147,145	754,335	552,763	44,597	1,498,840
Additions	25,283	20,196	24,745	5,325	75,549
Disposals	-	(13,096)	-	-	(13,096)
At 31 December 2011	172,428	761,435	577,508	49,922	1,561,293
Depreciation					
At 1 January 2011	88,597	731,567	543,265	34,042	1,397,471
On disposals	-	(11,386)	-	-	(11,386)
Charge for the year	13,746	12,002	6,479	6,609	38,836
At 31 December 2011	102,343	732,183	549,744	40,651	1,424,921
Net book value					
At 31 December 2011	70,085	29,252	27,764	9,271	136,372
At 31 December 2010	58,548	22,768	9,499	10,555	101,370

Included above are assets held under hire purchase contracts as follows

	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
Net book values				
At 31 December 2011	3,483	9,605	3,994	17,082
Depreciation charge for the year				
31 December 2011	615	1,695	1,331	3,641

D.I.P.T. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

9 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 2011 & at 31 December 2011	2,400

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Protrade Limited	England and Wales	Ordinary	75 00
Derbyshire Industrial Sales Limited	England and Wales	Ordinary	56 25
Metal Fabrication Supplies Limited	England and Wales	Ordinary	75 00
Joinery-Fit-Out Supplies Limited	England and Wales	Ordinary	75 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2011 £	Profit/(loss) for the year 2011 £
	Principal activity		
Protrade Limited	Sales, Hire and servicing of industrial power tools and equipment	(27,842)	(2,008)
Derbyshire Industrial Sales Limited	Sales, Hire and servicing of industrial power tools and equipment	67,078	37,362
Metal Fabrication Supplies Limited	Sale of industrial power tools and ancillary products to the metal fabrication trade	56,637	55,637
Joinery-Fit-Out Supplies Limited	Sale of fit out supplies	382,789	129,514

10 Stocks

	2011 £	2010 £
Goods for resale	1,228,710	1,082,465

D.I.P.T. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

11 Debtors	2011 £	2010 £
Trade debtors	5,358	367
Amounts owed by parent company	8,654	-
Amounts owed by group companies	1,161,097	1,096,336
Other debtors	50,073	59,555
Prepayments and accrued income	120,349	128,287
	<u>1,345,531</u>	<u>1,284,545</u>

12 Creditors: amounts falling due within one year	2011 £	2010 £
Bank overdraft (note a)	191,478	216,017
Net obligations under hire purchase contracts	12,469	-
Trade creditors	896,643	614,430
Amounts owed to group companies	-	70,500
Corporation tax	-	1,876
Other taxes and social security costs	131,282	84,895
Director's current account	11,173	1,114
Other creditors	7,630	6,413
Accruals and deferred income	5,870	56,763
	<u>1,256,545</u>	<u>1,052,008</u>

(a) The bank overdraft is secured by a debenture over the assets of the company

D.I.P.T. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

13 Creditors, amounts falling due after more than one year	2011 £	2010 £
Net obligations under hire purchase contracts - note (b)	8,138	-
Net obligations under hire purchase contracts		
Repayable between one and five years	22,685	-
	22,685	-
Finance charges and interest allocated to future accounting periods	(2,078)	-
	20,607	-
Included in liabilities falling due within one year	(12,469)	-
	8,138	-

(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

14 Pension commitments

Defined contribution

	2011 £	2010 £
Contributions payable by the company for the year	10,403	13,456

15 Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
125,000 Ordinary shares of £1 each	125,000	125,000

D.I.P.T. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

16 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2011	1,426,084
Loss for the year	(15,385)
Dividends paid	(25,200)
Balance at 31 December 2011	1,385,499

17 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
(Loss)/Profit for the financial year	(15,385)	6,686
Dividends	(25,200)	(55,200)
Net depletion in shareholders' funds	(40,585)	(48,514)
Opening shareholders' funds	1,551,084	1,599,598
Closing shareholders' funds	1,510,499	1,551,084

18 Financial commitments

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Plant and machinery	
	2011 £	2010 £	2011 £	2010 £
Expiry date				
Within one year	13,000	-	26,789	1,474
Between two and five years	125,180	39,310	2,681	15,528
In over five years	11,013	20,305	-	-
	149,193	59,615	29,470	17,002

D.I.P.T. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

19 Directors' remuneration	2011 £	2010 £
Remuneration for qualifying services	70,266	69,136
Company pension contributions to defined contribution schemes	(301)	1,619
	<u>69,965</u>	<u>70,755</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2010 - 1)

20 Employees

Number of employees

There were no employees during the year apart from the directors

Employment costs	2011 £	2010 £
Wages and salaries	327,422	290,662
Other pension costs	10,403	13,456
	<u>337,825</u>	<u>304,118</u>

21 Control

The company is a wholly owned subsidiary of D I P T Holdings Limited R B Sanders has a controlling interest in the shares of D I P T Holdings Limited

D.I.P.T. LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

22 Related party relationships and transactions

Advances and credits to directors

Advances and credits granted to the directors during the year are outlined in the table below

	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
R B Sanders - Directors loan account	-	(11,983)	434,400	-	(433,590)	(11,173)
N P Rooney - Directors loan account	-	5,000	-	-	-	5,000
S D Lovatt - Directors loan account	-	5,000	-	-	(1,250)	3,750
C K Sanders - Directors loan account	-	-	2,052	-	-	2,052
		<u>(1,983)</u>	<u>436,452</u>	<u>-</u>	<u>(434,840)</u>	<u>(371)</u>

Other transactions

The company has taken advantage of the exemptions available in FRS8 "Related Party Disclosures" whereby it has not disclosed transactions with other group companies