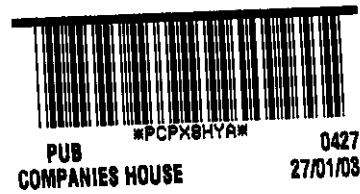


DEAN ELECTRICAL WHOLESALE LTD

REPORT AND ACCOUNTS

28TH FEBRUARY 2002

Registered Number: 02692021



DEAN ELECTRICAL WHOLESALE LIMITED

Directors	D B Boseley M A Boseley
Secretary and Registered Office	M A Boseley 19 Church Street Ross on Wye Herefordshire HR9 5HN
Auditors	Guilfoyle Sage & Co., Chartered Accountants and Registered Auditors, 58, Eastgate Street, Gloucester, GL1 1QN.
Management Accountants	Aubrey & Co Chartered Accountants 19 Church Street Ross on Wye HR9 5HN
Bankers	Lloyds Bank plc 55 Newerne Street Lydney Gloucestershire
Solicitors	Rickerby Waterson Ellenborough House Wellington Street Cheltenham Gloucestershire
Registered Number	02692021 England and Wales

DEAN ELECTRICAL WHOLESALE LIMITED

Annual Report and Accounts – 28th February 2002

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The following page does not form part of the statutory accounts:

Trading and Profit & Loss Account	16
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DEAN ELECTRICAL WHOLESALE LTD
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 28TH FEBRUARY 2002

1

The Directors present their annual report with the audited accounts of the company for the year ended 28th February 2002

Principal activities and business review

The principal activity of the company in the year under review was the wholesale of electrical equipment and components.

The directors are satisfied with the results achieved.

Results and dividends

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

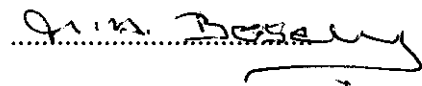
The directors have declared a final dividend of 3 1/3 pence per share.

Directors

The Directors in office during the period and their beneficial interests in the company's issued ordinary share capital were as follows:

	Ordinary Shares of £1 each	
	2002	2001
D B Boseley	225,000	225,000
M A Boseley	225,000	225,000

Signed on behalf of the
Board of directors



M A Boseley
Secretary

Date 24.01.2003

DEAN ELECTRICAL WHOLESALE LTD
STATEMENT OF DIRECTORS' RESPONSIBILITIES

2

We are required under company law 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 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 accounts 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 accounts 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.



By order of the board

Date..... 04/1/03

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS 3
OF DEAN ELECTRICAL WHOLESALE LIMITED
FOR THE YEAR ENDED 28TH FEBRUARY 2002**

We have audited the financial statements of Dean Electrical Wholesale Ltd. for the year ended 28th February 2002 on pages 4 to 15, which have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As disclosed on page 2, the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Report of the Directors 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.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to 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 the 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 28th February 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Guilfoyle Sage & Co.
Registered Auditors,
Chartered Accountants,
58, Eastgate Street,
Gloucester,
GL1 1QN.

Dated: 27 January 2003

DEAN ELECTRICAL WHOLESALE LTD
PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 28TH FEBRUARY 2002

4

	Note	2002 £	2001 £
Turnover	2	3,802,584	3,030,190
Cost of sales		2,945,398	2,266,349
Gross profit		<u>857,186</u>	<u>763,841</u>
Administrative expenses		694,455	557,373
Operating profit	3	<u>162,731</u>	<u>206,468</u>
Interest receivable		(0)	(74)
Interest payable	8	32,907	15,921
Profit on ordinary activities before taxation		<u>129,824</u>	<u>190,621</u>
Tax on profit on ordinary activities	4	29,700	46,908
Profit on ordinary activities after taxation		<u>100,124</u>	<u>143,713</u>
Dividends	5	15,000	50,000
Retained profit for the financial year		<u><u>85,124</u></u>	<u><u>93,713</u></u>
Statement of retained earnings			
Retained profit brought forward		715,461	621,748
Retained profit for the year		85,124	93,713
Retained profit carried forward		<u><u>800,585</u></u>	<u><u>715,461</u></u>

The notes on pages 7 to 15 form part of these accounts

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities are classed as continuing.

DEAN ELECTRICAL WHOLESALE LTD
BALANCE SHEET
28TH FEBRUARY 2002

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	Note	2002 £	2001 £
Fixed assets			
Intangible assets	18	153,746	169,121
Tangible assets	9	<u>138,171</u>	<u>133,604</u>
		291,917	302,725
Current assets			
Stock on hand	10	1,124,008	973,686
Debtors	11	981,128	1,007,749
Cash at bank & in hand		<u>200</u>	<u>0</u>
		2,105,336	1,981,435
Creditors: amounts falling due within one year	12	<u>1,146,668</u>	<u>1,118,699</u>
Net current assets		958,668	862,736
Total assets less current liabilities		<u>1,250,585</u>	<u>1,165,461</u>
Creditors: amounts falling due after more than one year	16	0	0
Net assets		<u>1,250,585</u>	<u>1,165,461</u>
Capital & reserves			
Called up share capital	13	450,000	450,000
Profit & loss account		800,585	715,461
Shareholders' funds	22	<u>1,250,585</u>	<u>1,165,461</u>

The notes on pages 7 to 15 form an integral part of these accounts.

On behalf of the Board



D B Boseley

Director

Approved by the board:

24/1/03

DEAN ELECTRICAL WHOLESALE LTD
CASHFLOW STATEMENT
FOR THE YEAR ENDED 28TH FEBRUARY 2002

6

	Notes	28.02.02 £	28.02.01 £
Net cash (outflow)/inflow from operating activities	19	125,541	(96,026)
Returns on investments and servicing of finance	20	(47,907)	(65,847)
Taxation		0	(40,461)
Capital expenditure	20	(34,159)	(67,119)
		<u>43,475</u>	<u>(269,453)</u>
Financing	20	(1,455)	(6,706)
(Decrease)/increase in cash in the period		<u>42,020</u>	<u>(276,159)</u>
Reconciliation of net cash flow to movement in net debt	21		
(Decrease)/increase in cash in the period		42,020	(276,159)
Cash outflow from decrease in debt and lease financing		1,455	6,706
Change in net debt resulting from cash flows		<u>43,475</u>	<u>(269,453)</u>
Movement in net debt in the period		43,475	(269,453)
Net debt as at 1st March 2001		<u>(439,673)</u>	<u>(170,220)</u>
Net debt as at 28th February 2002		<u>(396,198)</u>	<u>(439,673)</u>

**DEAN ELECTRICAL WHOLESALE LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH FEBRUARY 2002**

7

1. ACCOUNTING POLICIES

Basis of Preparation of Financial Statements

The statements have been prepared under the historical cost convention.

Depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold Property	2% on cost
Motor Vehicles	25% on written down value
Computer Equipment	25% on written down value
Fixtures and Equipment	15% on written down value

Intangible Fixed Assets

Costs have been capitalised and are amortised over the estimated life of the asset as follows:

Goodwill	5% straight line basis
----------	------------------------

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred Taxation

Deferred Tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised at the estimated fair value at date of inception of each lease or contract. The assets are depreciated over their expected useful lives. The finance charges are allocated over the primary period of the lease on a straight line basis.

Rentals payable under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

DEAN ELECTRICAL WHOLESALE LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH FEBRUARY 2002

8

2. Turnover

The turnover represents the value, excluding value added tax, of goods supplied to customers during the year.

No turnover is attributable to markets outside the UK

3. Operating Profit

The operating profit (2001 – profit) is stated after charging:

	2002	2001
	£	£
Directors emoluments – see note 7		
Depreciation of Tangible Fixed Assets	29,592	31,128
Amortisation of Intangible Fixed Assets	15,375	15,375
Auditors Remuneration	2,500	2,000
Other Operating Leases	39,350	36,750

4. Taxation

The tax charge on the profit on ordinary activities was as follows:

	2002	2001
	£	£
Corporation Tax	29,700	46,908

Corporation Tax has been charged on the profit at 20% (2001: 23%).

The full potential liability for deferred tax (in respect of accelerated capital allowances) was £8,884 (2001: £9,387).

5. Dividends

	2002	2001
	£	£
Dividend declared on Ordinary shares.	15,000	50,000

DEAN ELECTRICAL WHOLESALE LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH FEBRUARY 2002

9

6. Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	2002	2001
	No.	No.
Sales and distribution staff	19	14
Management and administration staff	6	5
Operations staff	2	1
	<u>27</u>	<u>20</u>

The aggregate payroll costs of the above were:

	2002	2001
	£	£
Wages and salaries	359,445	283,662
Social security costs	29,875	27,746
Other pension costs	0	0
	<u>389,320</u>	<u>311,408</u>

7. Directors' Remuneration

	2002	2001
	£	£
Directors' Emoluments	37,909	36,796
Pension Costs	600	600
Benefits in kind	14,188	13,488
	<u>52,697</u>	<u>50,884</u>

During the year one director (2001 – one) was accruing benefits under a money purchase scheme.

8. Interest Payable

	2002	2001
	£	£
Interest payable on bank borrowing	29,348	14,039
Finance charges	559	1,882
Other similar charges payable	3,000	0
	<u>32,907</u>	<u>15,921</u>

DEAN ELECTRICAL WHOLESALE LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH FEBRUARY 2002

10

9 Tangible fixed assets

	Motor Vehicles £	Computer Equipment £	Fixtures & Fittings £	Property £	Total £
Cost					
At 1st March 2001	113,845	67,230	44,128	41,850	267,053
Additions	5,500	0	28,659	0	34,159
Disposals	0	0	0	0	0
At 28th February 2002	<u>119,345</u>	<u>67,230</u>	<u>72,787</u>	<u>41,850</u>	<u>301,212</u>
Depreciation					
At 1st March 2001	61,442	39,657	24,873	7,477	133,449
Charge for the year	14,475	6,893	7,188	1,036	29,592
Disposals	0	0	0	0	0
At 28th February 2002	<u>75,917</u>	<u>46,550</u>	<u>32,061</u>	<u>8,513</u>	<u>163,041</u>
Net book value					
At 28th February 2002	<u>43,428</u>	<u>20,680</u>	<u>40,726</u>	<u>33,337</u>	<u>138,171</u>
At 29th February 2001	<u>52,403</u>	<u>27,573</u>	<u>19,255</u>	<u>34,373</u>	<u>133,604</u>

The above analysis includes the following in respect of assets held under finance leases and hire purchase contracts:

Net book value:

28th February 2002	0	0	0	0	0
29th February 2001	<u>0</u>	<u>7,468</u>	<u>0</u>	<u>0</u>	<u>7,468</u>

Depreciation

Charge for 2002	0	0	0	0	0
Charge for 2001	<u>0</u>	<u>2,489</u>	<u>0</u>	<u>0</u>	<u>2,489</u>

The cost of freehold buildings on which depreciation is charged amounted to £40,000 (2001 £40,000) of which £5,000 (2001 £5,000) is the cost of the land.

£ £

10 Stocks

	2002 £	2001 £
Goods for resale	<u>1,124,008</u>	<u>973,686</u>

DEAN ELECTRICAL WHOLESALE LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH FEBRUARY 2002

11

11 Debtors: amounts falling due within one year

	2002	2001
	£	£
Trade debtors	940,687	967,685
Other debtors	40,440	40,073
	<u>981,127</u>	<u>1,007,758</u>
Amounts due in more than one year:		
Other debtors (ACT)	0	0
	<u>981,127</u>	<u>1,007,758</u>

12 Creditors: amounts falling due within one year

	2002	2001
	£	£
Bank overdraft and loans	396,398	438,218
Trade creditors	544,626	460,292
Other creditors	205,644	220,189
	<u>1,146,668</u>	<u>1,118,699</u>
Other creditors include:		
Corporation Tax	127,946	98,246
Other tax and social security	45,273	95,261
Obligations under finance leases & hire purchase contracts	0	1,455
Accruals & Sundry	32,425	25,227
	<u>205,644</u>	<u>220,189</u>

13 Share Capital

	2002	2001
	£	£
Authorised £1 Ordinary Shares	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, issued and fully paid	<u>450,000</u>	<u>450,000</u>

DEAN ELECTRICAL WHOLESALE LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH FEBRUARY 2002

12

14 Transactions with Directors

Loans to Directors	Liability at the start of the year <u>£</u>	Maximum liability during the year <u>£</u>	Liability at the end of the year <u>£</u>
D B Boseley	0	7,229	0
M A Boseley	0	7,229	0

The loans were repayable

No interest is payable on any loans outstanding

Material interests of Directors

The company trades from premises owned by D B Boseley, a director and shareholder of the company, for which an annual rental of £27,000 was paid.(2001 £24,750)

Controlling party

The company is controlled by Mr & Mrs Boseley.

15 Related party transactions

The company trades with Amlee Electrical Supplies Ltd of which D B Boseley is a director and shareholder, purchasing goods to the value of £19,824 (2001 £9,927) from them, and with transfers at cost to them of £124,093 (2001 £277,932) during the year, resulting in a balance due to Dean Electrical Wholesale Ltd of £37,985 at 28th February 2002 (2001 £176,466).

DEAN ELECTRICAL WHOLESALE LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH FEBRUARY 2002

13

16 Creditors

Amounts falling due after more than one year:	2002	2001
	£	£
Other creditors	0	0
	<u>0</u>	<u>0</u>

Obligations under finance leases and hire purchase contracts

Obligations under finance leases and hire purchase contracts are repayable over varying periods by monthly instalments as follows:

In the next year	<u>0</u>	<u>1,455</u>
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Secured creditors

Bank loans & Overdraft	<u>396,398</u>	<u>438,218</u>
------------------------	----------------	----------------

The bank overdraft is secured by a debenture over the companys' assets.

17 Operating Lease Commitments

The following payments are committed to be paid within one year in respect of leases of land and buildings.

	2002	2001
	£	£
Expiring within 1 year	0	0
Expiring within 2 to 5 years	12,350	12,000
Expiring in more than 5 years	72,000	24,750
	<u>84,350</u>	<u>36,750</u>

18 Intangible Fixed Assets

	Goodwill	Other Intangible Assets	Total
	£	£	£
At cost	<u>307,492</u>	<u>0</u>	<u>307,492</u>
Amortisation			
At 1st March 2001	138,371		138,371
Charge for the year	15,375		15,375
At 28th February 2002	<u>153,746</u>		<u>153,746</u>
Net Book Value			
At 28th February 2002	<u>153,746</u>		<u>153,746</u>
At 28th February 2001	<u>169,121</u>		<u>169,121</u>

**19 Reconciliation of Operating Profit to
Net Cash Flow from Operating Activities**

	28.02.02	29.02.01
	£	£
Operating profit	162,731	206,468
Depreciation charges	44,967	46,503
Loss on sale of fixed assets	0	0
Increase in stocks	(150,322)	(140,246)
Decrease/(Increase) in debtors	26,631	(319,158)
Increase in creditors	41,534	110,407
Net cash (outflow)/inflow from operating activities	<u>125,541</u>	<u>(96,026)</u>

20 Analysis of Cash Flows for Headings Netted in the Cash Flow Statement

**Returns on investments and
servicing of finance**

Interest paid	(32,348)	(13,965)
Interest element of hire purchase payments	(559)	(1,882)
Dividends paid	(15,000)	(50,000)
Net cash outflow for returns on investments and servicing of finance	<u>(47,907)</u>	<u>(65,847)</u>

Capital expenditure

Purchase of tangible fixed assets	(34,159)	(67,119)
Sale of tangible fixed assets	0	0
Net cash outflow for capital expenditure	<u>(34,159)</u>	<u>(67,119)</u>

Financing

Loan repayments in year	(1,455)	(6,706)
Net cash outflow from financing	<u>(1,455)</u>	<u>(6,706)</u>

DEAN ELECTRICAL WHOLESALE LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH FEBRUARY 2002

15

21 Analysis of Changes in Net Debt

	01.03.01	Cash Flow	28.02.02
	£	£	£
Net cash:			
Cash at bank and in hand	0	200	200
Bank overdraft	(438,218)	41,820	(396,398)
	(438,218)	42,020	(396,198)
Debt:			
Hire Purchase	(1,455)	1,455	0
Total	<u>(439,673)</u>	<u>43,475</u>	<u>(396,198)</u>

Analysed in Balance Sheet

Cash at bank and in hand	0	200
Bank overdraft	(438,218)	(396,398)
Hire purchase		
within one year	(1,455)	0
after one year	0	0
	<u>(439,673)</u>	<u>(396,198)</u>

22 Reconciliation of Movement in Shareholders' Funds

	28.02.02	28.02.01
	£	£
Profit for financial year	100,124	143,713
Dividends	15,000	50,000
Net addition to shareholders' funds	85,124	93,713
Opening shareholders' funds	715,461	621,748
Closing shareholders' funds	<u>800,585</u>	<u>715,461</u>
Equity interests	<u>800,585</u>	<u>715,461</u>