



BOYS & BODEN LIMITED

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2004**



BOYS & BODEN LIMITED

COMPANY INFORMATION

DIRECTORS	H W Boden D Hammond
SECRETARY	H W Boden
COMPANY NUMBER	215444
REGISTERED OFFICE	British Sawmills Welshpool Powys SY21 7BL
AUDITORS	Whittingham Riddell LLP Chartered Accountants & Registered Auditors Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG

BOYS & BODEN LIMITED

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BOYS & BODEN LIMITED

DIRECTORS' REPORT For the year ended 31 March 2004

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

STATEMENT OF 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.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The company's principal activities during the year were that of five divisions, each separately branded. These include Timber and Builders Merchants (Boys & Boden), Staircase Manufacturing (Pear Stairs), Kitchens (Kingfisher Kitchens), Plumbing Merchants (The Plumline), and Joinery (Diamond Joinery).

Major investments in the previous six years are now returning a profit. This rise is expected to continue in the following years. With continued investment the company has many opportunities which can be exploited.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £179,962 (2003 - £196,457).

The directors recommend a final dividend of £15,000 (2003 - £12,500).

DIRECTORS

The directors who served during the year and their beneficial interests in the company's issued share capital were:

	Ordinary shares of 5p each	
	31/3/04	1/4/03
H W Boden	483,950	483,950
D Hammond	-	-

AUDITORS

During the year Whittingham Riddell acted as auditors to the Company until 18 December 2003. On 18 December 2003, Whittingham Riddell transferred its business to a limited liability partnership, Whittingham Riddell LLP, incorporated under the Limited Liability Partnerships Act 2000. The Directors consented to treating the appointment of Whittingham Riddell as extending to Whittingham Riddell LLP with effect from 18 December 2003.

This report was approved by the board on

10 August 2004

and signed on its behalf.

H W Boden
Secretary

H W Boden

BOYS & BODEN LIMITED

INDEPENDENT AUDITORS' REPORT TO

BOYS & BODEN LIMITED Under section 247B of the Companies Act 1985

We have examined the abbreviated accounts of Boys & Boden Limited for the year ended 31 March 2004 set out on pages 3 to 16, together with the financial statements of the company for the year ended 31 March 2004 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with s.247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our 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 and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF AUDIT OPINION

We have carried out the procedures we consider 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 sections 246 A(3) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 16 are properly prepared in accordance with those provisions.

Whittingham Riddell LLP

Whittingham Riddell LLP
Chartered Accountants
Registered Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date: 10 August 2004

BOYS & BODEN LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT For the year ended 31 March 2004

	Note	2004 £	2003 £
GROSS PROFIT		2,755,726	2,620,104
Selling and distribution costs		(222,282)	(214,035)
Administrative expenses		(2,233,716)	(2,052,457)
OPERATING PROFIT	2	299,728	353,612
Interest payable	5	(62,751)	(51,006)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		236,977	302,606
TAX ON PROFIT ON ORDINARY ACTIVITIES	6	(57,015)	(106,149)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		179,962	196,457
DIVIDENDS - On equity shares	7	(15,000)	(12,500)
RETAINED PROFIT FOR THE FINANCIAL YEAR		164,962	183,957
RETAINED PROFIT BROUGHT FORWARD		1,478,367	1,294,410
RETAINED PROFIT CARRIED FORWARD		£ 1,643,329	£ 1,478,367

All amounts relate to continuing operations.

There were no recognised gains and losses for 2004 or 2003 other than those included in the profit and loss account.

The notes on pages 6 to 16 form part of these financial statements.

BOYS & BODEN LIMITED

ABBREVIATED BALANCE SHEET As at 31 March 2004

	Note	2004 £	2003 £
FIXED ASSETS			
Tangible fixed assets	8	1,475,423	1,598,717
Investments	9	65,000	65,000
		<u>1,540,423</u>	<u>1,663,717</u>
CURRENT ASSETS			
Stocks	10	1,176,283	1,082,835
Debtors	11	1,557,837	1,380,696
Cash at bank and in hand		3,284	1,653
		<u>2,737,404</u>	<u>2,465,184</u>
CREDITORS: amounts falling due within one year	12	<u>(1,882,303)</u>	<u>(1,655,597)</u>
NET CURRENT ASSETS		<u>855,101</u>	<u>809,587</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,395,524</u>	<u>2,473,304</u>
CREDITORS: amounts falling due after more than one year	13	(692,520)	(907,490)
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	14	(20,876)	(48,648)
NET ASSETS		<u>£ 1,682,128</u>	<u>£ 1,517,166</u>
CAPITAL AND RESERVES			
Called up share capital	15	35,000	35,000
Other reserves		3,799	3,799
Profit and loss account		1,643,329	1,478,367
SHAREHOLDERS' FUNDS - All Equity	16	<u>£ 1,682,128</u>	<u>£ 1,517,166</u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies, were approved by the board on 10 August 2004 and signed on its behalf.

H W Boden
Director

D Hammond
Director

The notes on pages 6 to 16 form part of these financial statements.

BOYS & BODEN LIMITED

ABBREVIATED CASH FLOW STATEMENT For the year ended 31 March 2004

	Note	2004 £	2003 £
Net cash flow from operating activities	17	471,257	545,174
Returns on investments and servicing of finance	18	(62,751)	(51,006)
Taxation		(85,069)	(34,801)
Capital expenditure and financial investment	18	(188,320)	(842,647)
Equity dividends paid		(12,500)	(10,000)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		122,617	(393,280)
Financing	18	(231,052)	401,132
(DECREASE)/INCREASE IN CASH IN THE YEAR		£ (108,435)	£ 7,852

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 19) For the year ended 31 March 2004

	2004 £	2003 £
(Decrease)/Increase in cash in the year	(108,435)	7,852
Cash outflow/(inflow) from decrease in debt and lease financing	231,052	(401,132)
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	122,617	(393,280)
New finance lease	-	(211,000)
MOVEMENT IN NET DEBT IN THE YEAR	122,617	(604,280)
Net debt at 1 April 2003	(1,001,250)	(396,970)
NET DEBT AT 31 MARCH 2004	£ (878,633)	£ (1,001,250)

The notes on pages 6 to 16 form part of these financial statements.

BOYS & BODEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and are prepared in accordance with applicable accounting standards.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

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 of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2-4%	straight line
L/Term Leasehold Property	-	10%	straight line
Plant & Machinery	-	20-25%	straight line
Motor Vehicles	-	25%	straight line
Property improvements	-	25%	straight line

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. 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.

1.5 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account on the straight line basis over the lease term.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.7 Deferred taxation

Provision is made in full for all taxation deferred in respect of timing differences that have originated but not reversed by the balance sheet date, except for gains on disposal of fixed assets which will be rolled over into replacement assets. No provision is made for taxation on permanent differences.

Deferred tax assets are recognised to the extent that it is more likely than not that they will be recovered.

BOYS & BODEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

1.8 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred.

1.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.10 Employee share ownership trust

The company operates an employee share ownership trust, as described in note 11. Contributions to the trust have been accounted for in accordance with UITF 13.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2004 £	2003 £
Depreciation of tangible fixed assets:		
- owned by the company	243,146	142,250
- held under finance leases	79,276	71,005
Auditors' remuneration	8,400	8,000
Operating lease rentals:		
- plant and machinery	8,724	3,924
	<u> </u>	<u> </u>

3. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2004 £	2003 £
Wages and salaries	1,828,749	1,615,566
Social security costs	163,892	130,098
Other pension costs	23,390	20,883
	<u> </u>	<u> </u>
	<u>£ 2,016,031</u>	<u>£ 1,766,547</u>

The average monthly number of employees, including directors, during the year was as follows:

2004	2003
No.	No.
<u>117</u>	<u>106</u>

BOYS & BODEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

4. DIRECTORS' REMUNERATION

	2004 £	2003 £
Emoluments	£ 72,892	£ 53,553
Company pension contributions to money purchase pension schemes	£ 2,400	£ 1,967

During the year retirement benefits were accruing to 1 director (2003 - 1) in respect of money purchase pension schemes.

5. INTEREST PAYABLE

	2004 £	2003 £
On bank loans and overdrafts	44,964	29,450
On other loans	17,787	21,556
	£ 62,751	£ 51,006

6. TAXATION

	2004 £	2003 £
Analysis of tax charge in year		
Current tax (see note below)		
UK corporation tax charge on profits of the year	85,000	85,282
Adjustments in respect of prior periods	(213)	-
Total current tax	84,787	85,282
Deferred tax		
Origination and reversal of timing differences	(27,772)	6,976
Effect of increased tax rate on opening liability	-	13,891
Total deferred tax (see note 14)	(27,772)	20,867
Tax on profit on ordinary activities	£ 57,015	£ 106,149

BOYS & BODEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

Factors affecting tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2004 £	2003 £
Profit on ordinary activities before tax	<u>236,977</u>	<u>302,606</u>
Profit on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK of 30% (2003 - 30%)	71,093	90,782
Effects of:		
Small companies relief	(30,862)	(30,562)
Rounding difference for provision purposes	1,428	-
Adjustments to tax charge in respect of prior periods	(213)	-
Depreciation in excess of capital allowances	51,293	(6,976)
Permanent differences on expenses	(7,952)	32,038
Current tax charge for year (see note above)	<u>£ 84,787</u>	<u>£ 85,282</u>

Factors that may affect future tax charges

There are no factors that may affect future tax charges.

7. DIVIDENDS

	2004 £	2003 £
On equity shares		
Total dividends proposed	<u>£ 15,000</u>	<u>£ 12,500</u>

BOYS & BODEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

8. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 April 2003	1,399,145	1,002,106	286,512	2,687,763
Additions	87,799	101,413	12,399	201,611
Disposals	-	(4,391)	(26,332)	(30,723)
At 31 March 2004	<u>1,486,944</u>	<u>1,099,128</u>	<u>272,579</u>	<u>2,858,651</u>
Depreciation				
At 1 April 2003	247,124	640,646	201,276	1,089,046
Charge for the year	125,170	152,053	45,199	322,422
On disposals	-	(4,264)	(23,976)	(28,240)
At 31 March 2004	<u>372,294</u>	<u>788,435</u>	<u>222,499</u>	<u>1,383,228</u>
Net book value				
At 31 March 2004	<u>£ 1,114,650</u>	<u>£ 310,693</u>	<u>£ 50,080</u>	<u>£ 1,475,423</u>
At 31 March 2003	<u>£ 1,152,021</u>	<u>£ 361,460</u>	<u>£ 85,236</u>	<u>£ 1,598,717</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2004 £	2003 £
Land and buildings	173,713	305,065
Plant and machinery	10,179	26,689
	<u>£ 183,892</u>	<u>£ 331,754</u>

At 31 March 2004, £1,110,081 and £4,570 included within the net book value of land and buildings relates to freehold and long term leasehold land and buildings respectively.

9. FIXED ASSET INVESTMENTS

	Employee share ownership trust £
Cost	
At 1 April 2003 and 31 March 2004	<u>£ 65,000</u>

BOYS & BODEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

OWN SHARES - EMPLOYEE SHARE OWNERSHIP TRUST

By deed dated 24 September 1997, the Company created an employee share ownership trust.

On 30 December 1997 the trust acquired 104,170 ordinary 5p shares at 60p each. The purchase was funded by a contribution by the Company of £65,000. The trust is administered on a separate basis from the Company and at 31 March 2004, 104,170 ordinary 5p shares with a market value of £65,000 were held by the trust pending distribution to the employees under the terms of the trust deed.

10. STOCKS

	2004 £	2003 £
Raw materials	172,789	104,123
Finished goods and goods for resale	1,003,494	978,712
	<u>£ 1,176,283</u>	<u>£ 1,082,835</u>

11. DEBTORS

	2004 £	2003 £
Due within one year		
Trade debtors	1,449,684	1,284,187
Other debtors	108,153	96,509
	<u>£ 1,557,837</u>	<u>£ 1,380,696</u>

12. CREDITORS: Amounts falling due within one year

	2004 £	2003 £
Bank loans and overdrafts	181,844	75,934
Net obligations under finance leases and hire purchase contracts	69,671	98,706
Trade creditors	1,223,675	1,156,364
Corporation tax	85,000	85,282
Social security and other taxes	159,882	115,049
Proposed dividend	15,000	12,500
Other creditors	62,500	62,500
Accruals and deferred income	84,731	49,262
	<u>£ 1,882,303</u>	<u>£ 1,655,597</u>

The bank borrowing is secured by fixed and floating charges over certain company assets.

BOYS & BODEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

The bank borrowing is repayable monthly at 2% above base bank rate.

The directors loan is secured by a fixed and floating charge over all the company's assets and undertakings, present and future.

The director's loan made on the 30 September 1997 is repayable quarterly at the rate of £7,812 excluding interest which is charged at 2% per annum above the base bank rate, subject to waiver at the directors discretion.

The finance lease assets are secured against the assets to which they relate.

13. CREDITORS:
Amounts falling due after more than one year

	2004 £	2003 £
Bank loans	524,553	658,181
Net obligations under finance leases and hire purchase contracts	105,849	170,082
Government grants received	62,118	79,227
	<u>£ 692,520</u>	<u>£ 907,490</u>

Included within the above are amounts falling due as follows:

	2004 £	2003 £
Between one and two years		
Bank loans	61,069	65,621
	<u> </u>	<u> </u>
Between two and five years		
Bank loans	208,663	235,072
	<u> </u>	<u> </u>
Over five years		
Bank loans	254,821	357,488
	<u> </u>	<u> </u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2004 £	2003 £
Repayable by instalments	£ 254,821	£ 357,488
	<u> </u>	<u> </u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2004 £	2003 £
Between two and five years	£ 105,849	£ 170,082
	<u> </u>	<u> </u>

Finance lease assets are secured against their repayment contracts.

BOYS & BODEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

14. DEFERRED TAXATION

	2004 £	2003 £
At 1 April 2003 and 31 March 2004	£ 20,876	£ 48,648

The deferred tax provision is made up as follows:

	2004 £	2003 £
Accelerated capital allowances	20,876	48,648
	£ 20,876	£ 48,648

15. SHARE CAPITAL

	2004 £	2003 £
Authorised		
1,000,000 Ordinary shares of 5p each	£ 50,000	£ 50,000
Allotted, called up and fully paid		
700,000 Ordinary shares of 5p each	£ 35,000	£ 35,000

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
Profit for the year	179,962	196,457
Dividends	(15,000)	(12,500)
	164,962	183,957
Opening shareholders' funds	1,517,166	1,333,209
Closing shareholders' funds	£ 1,682,128	£ 1,517,166

BOYS & BODEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

17. NET CASH FLOW FROM OPERATING ACTIVITIES

	2004 £	2003 £
Operating profit	299,728	353,612
Depreciation of tangible fixed assets	338,952	213,255
(Profit)/loss on disposal of tangible fixed assets	(2,317)	1,408
Government grants	(25,600)	(13,602)
(Increase)/decrease in stocks	(93,448)	(25,223)
Increase in debtors	(177,141)	(108,266)
Increase/(decrease) in creditors	121,113	123,990
NET CASH INFLOW FROM OPERATIONS	£ 461,287	£ 545,174

18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2004 £	2003 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest paid	£ (62,751)	£ (51,006)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(201,611)	(877,556)
Sale of tangible fixed assets	4,800	600
Government grants received	8,491	34,309
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	£ (188,320)	£ (842,647)
FINANCING		
New secured loans	-	542,870
Repayment of loans	(137,784)	(39,764)
Principal payment under finance lease	(93,268)	(101,974)
NET CASH (OUTFLOW)/INFLOW FROM FINANCING	£ (231,052)	£ 401,132

BOYS & BODEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

19. ANALYSIS OF CHANGES IN NET DEBT

	1 April 2003 £	Cash flow £	Other non-cash changes £	31 March 2004 £
Cash at bank and in hand:	1,653	1,631	-	3,284
Bank overdraft	(14,509)	(110,066)	-	(124,575)
	<u>(12,856)</u>	<u>(108,435)</u>	<u>-</u>	<u>(121,291)</u>
DEBT :				
Finance leases	(268,788)	93,268	-	(175,520)
Debts due within one year	(61,425)	4,156	-	(57,269)
Debts falling due after more than one year	(658,181)	133,628	-	(524,553)
	<u>(1,328,394)</u>	<u>231,052</u>	<u>-</u>	<u>(1,097,342)</u>
NET DEBT	<u>£(1,001,250)</u>	<u>£ 122,617</u>	<u>£ -</u>	<u>£ (878,633)</u>

20. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for the benefit of employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension charge for the year was £23,390 (2003: £20,883). Contributions totalling £3,345 (2003: £4,139) were payable to the fund at the balance sheet date and included in creditors.

21. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other	
	2004 £	2003 £	2004 £	2003 £
Expiry date:				
Within 1 year	-	-	256	526
Between 2 and 5 years	21,600	-	-	-
After more than 5 years	-	21,600	-	-
	<u>21,600</u>	<u>21,600</u>	<u>-</u>	<u>-</u>

22. TRANSACTIONS WITH DIRECTORS

During the year sales made to the directors totalled £31,504 (2003: £8,134). All transactions were made under normal trading terms. Included within trade debtors is amounts due from the directors in relation to these sales of £9,993 (2003: £905).

BOYS & BODEN LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS **For the year ended 31 March 2004**

23. CONTROLLING PARTY

The Company is under the control of H W Boden, who owns 69% of the ordinary share capital of the Company.

