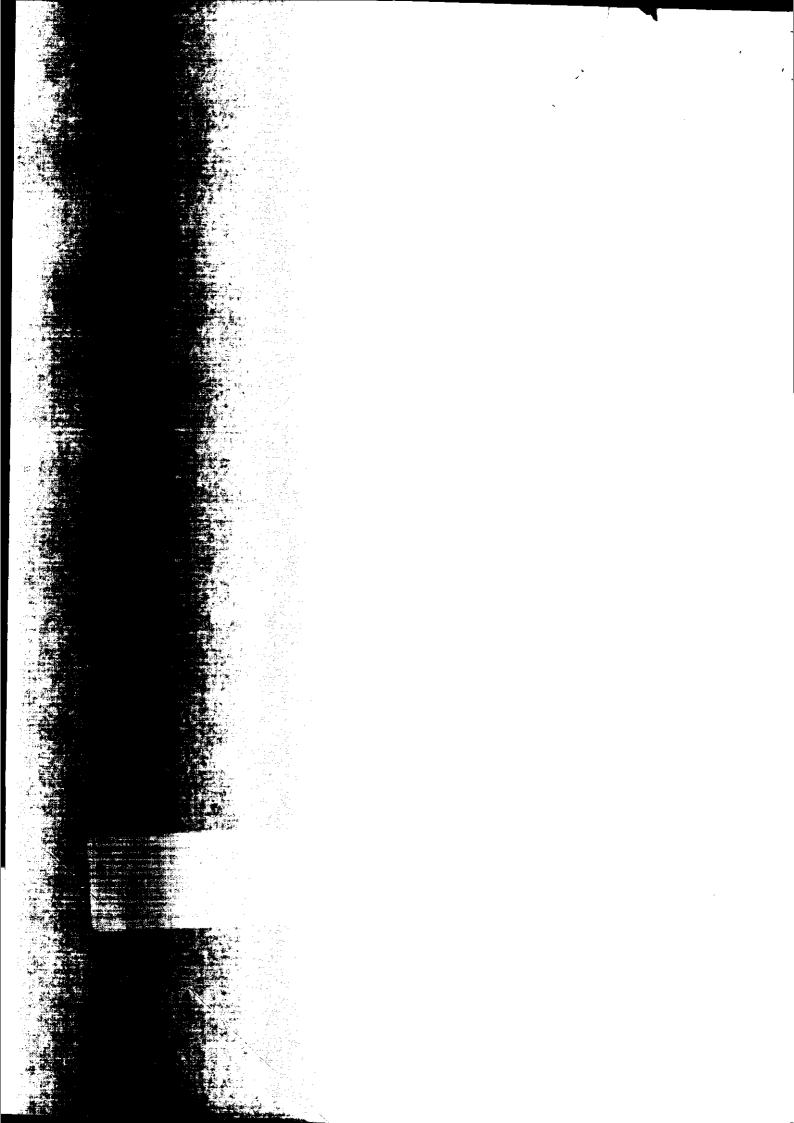
Registered number: 215444



## **BOYS & BODEN LIMITED**

ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2004





## **COMPANY INFORMATION**

**DIRECTORS** 

H W Boden

D Hammond

**SECRETARY** 

H W Boden

**COMPANY NUMBER** 

215444

REGISTERED OFFICE

British Sawmills Welshpool

Powys SY21 7BL

**AUDITORS** 

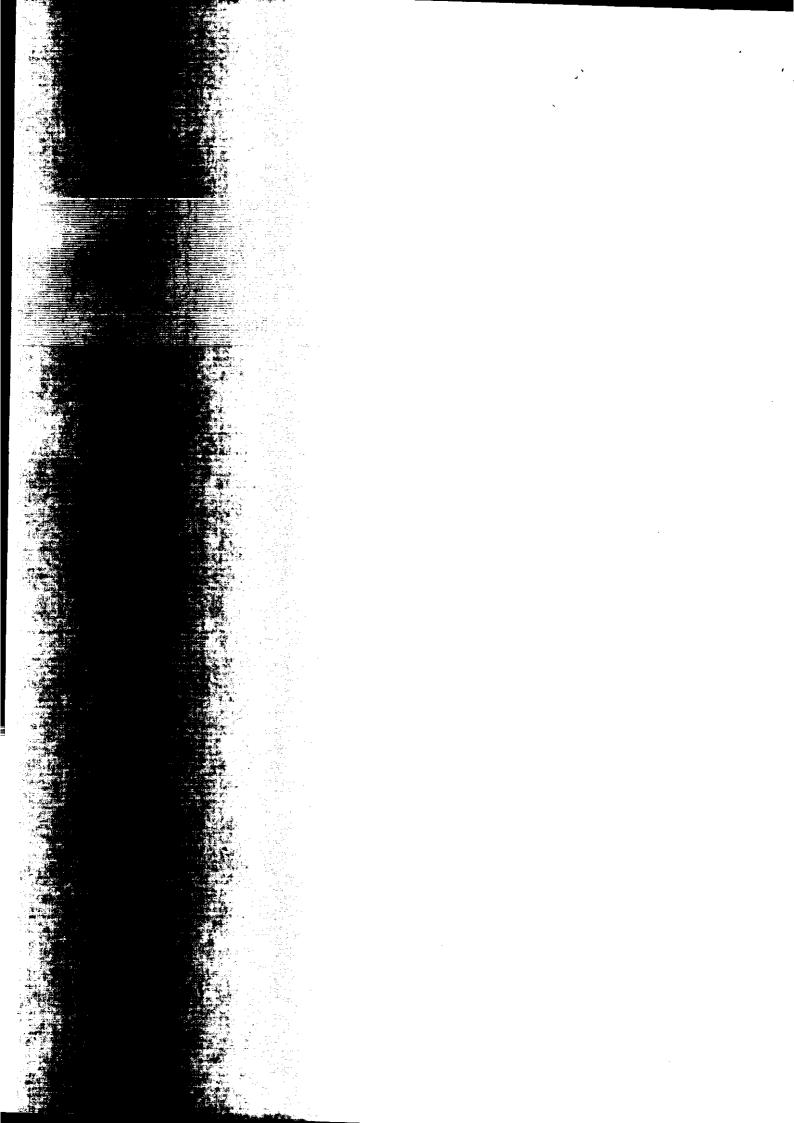
Whittingham Riddell LLP

Chartered Accountants & Registered Auditors

**Belmont House** 

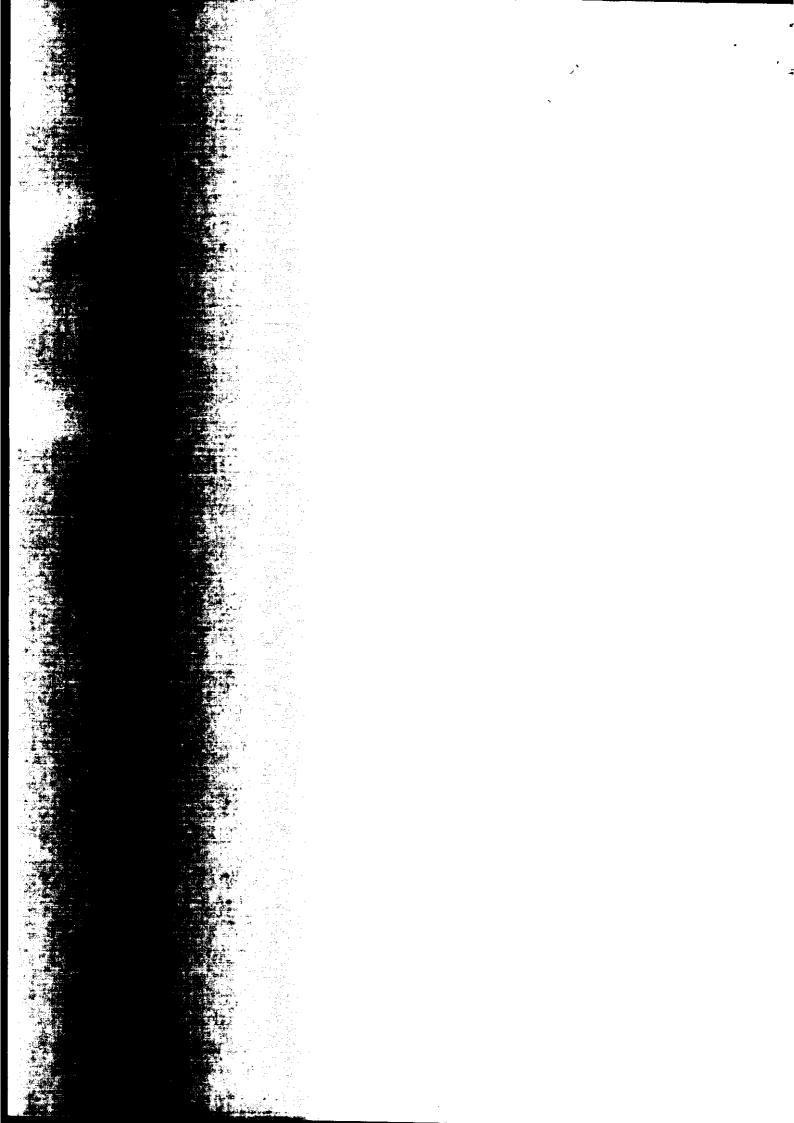
Shrewsbury Business Park

Shrewsbury Shropshire SY2 6LG



## **CONTENTS**

	Page
Directors' report	1
Auditors' report	2
Profit and loss account	3
Balance sheet	4
Cash flow statement	5
Notes to the abbreviated accounts	6 - 16



## 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 Plumbline), 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 1/4/03 483,950 483,950

H W Boden D Hammond

#### **AUDITORS**

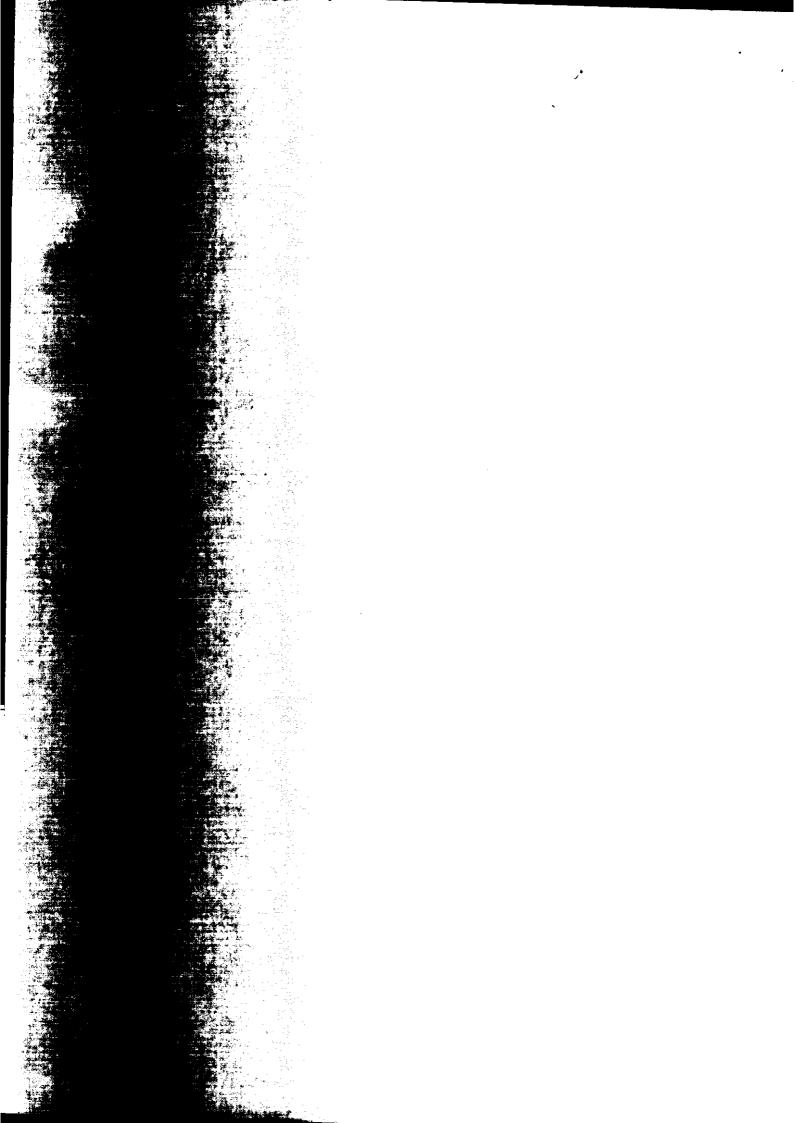
During the year Whittingham Riddell acted as auditors to the Company until 18 December 2003. On 18 December 2003, Whittingham Riddell transferred its business to a limited liability partnership, Whittingham Riddell LLP, incorporated under the Limited Liability Partnerships Act 2000. The Directors consented 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 All Baden



#### 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.

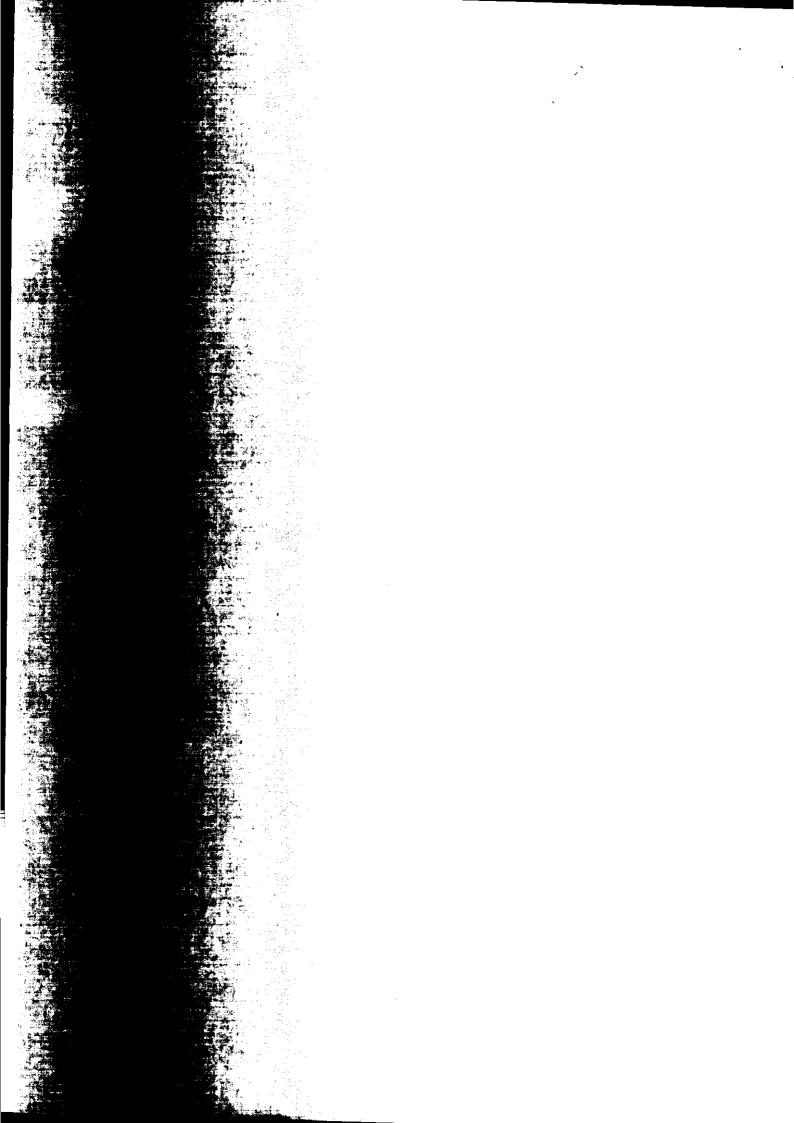
Whittingha Riddell LLP

Whittingham Riddell LLP

Chartered Accountants
Registered Auditors

Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG

Date: 10 August 2004



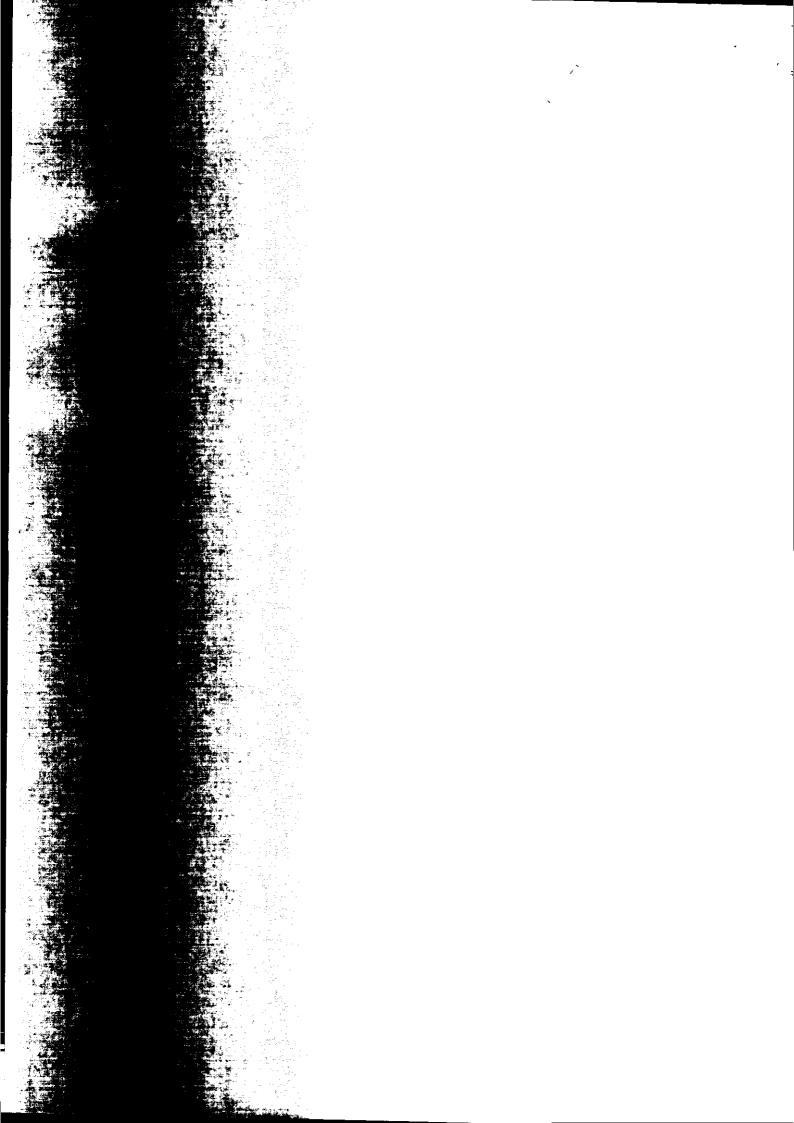
## ABBREVIATED PROFIT AND LOSS ACCOUNT For the year ended 31 March 2004

	Note	2004 £	2003 £
GROSS PROFIT		2,755,726	2,620,104
Selling and distribution costs Administrative expenses		(222,282) (2,233,716)	(214,035) (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.



## ABBREVIATED BALANCE SHEET As at 31 March 2004

		20	004	20	
	Note	£	£	£	£
FIXED ASSETS			400		4 500 747
Tangible fixed assets	8		1,475,423		1,598,717
Investments	9		65,000		65,000
			1,540,423		1,663,717
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	
		2,737,404		2,465,184	
<b>CREDITORS</b> : amounts falling due within one year	12	(1,882,303)		(1,655,597)	
NET CURRENT ASSETS			855,101		809,587
TOTAL ASSETS LESS CURRENT LIABI	LITIES		2,395,524		2,473,304
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			£ 1,682,128		£ 1,517,166
CAPITAL AND RESERVES					
Called up share capital	15		35,000		35,000
Other reserves			3,799		<i>3,79</i> 9
Profit and loss account			1,643,329		1,478,367
SHAREHOLDERS' FUNDS - All Equity	16		£ 1,682,128		£ 1,517,166

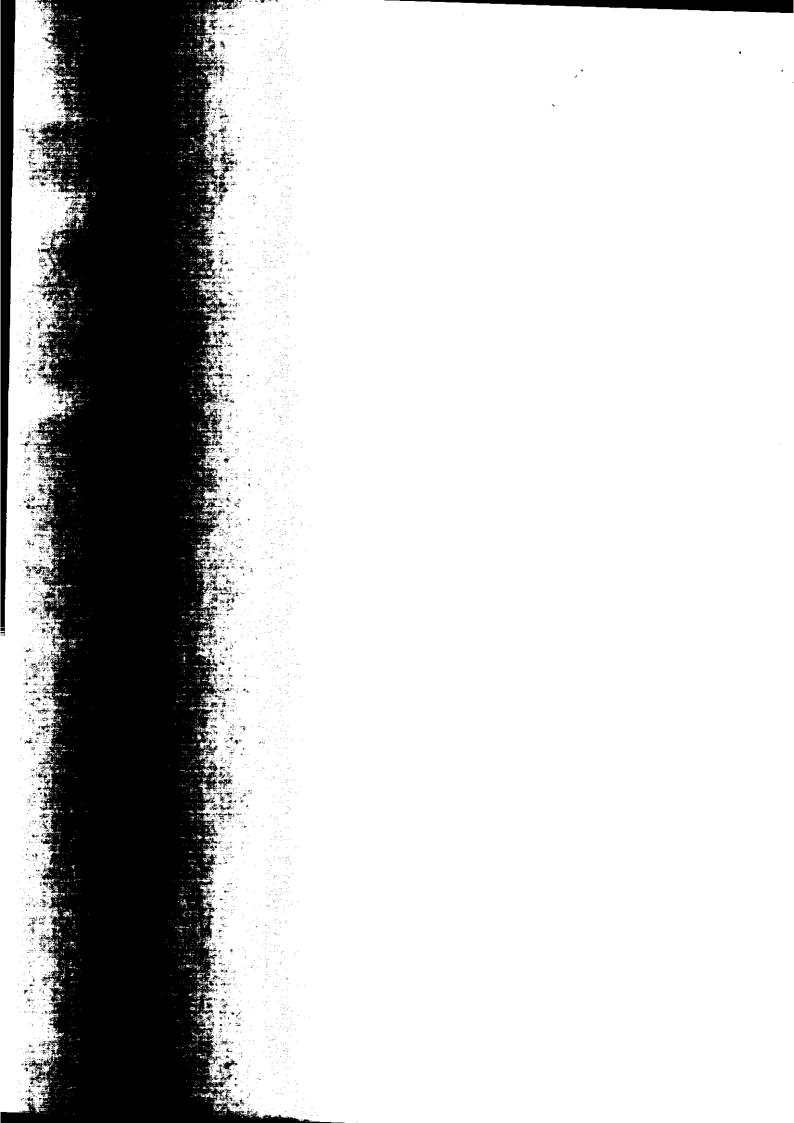
The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies, were approved by the board on 10 Applicable 2004 and signed on its behalf.

**D** Hammond

Director

H W Boden >

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



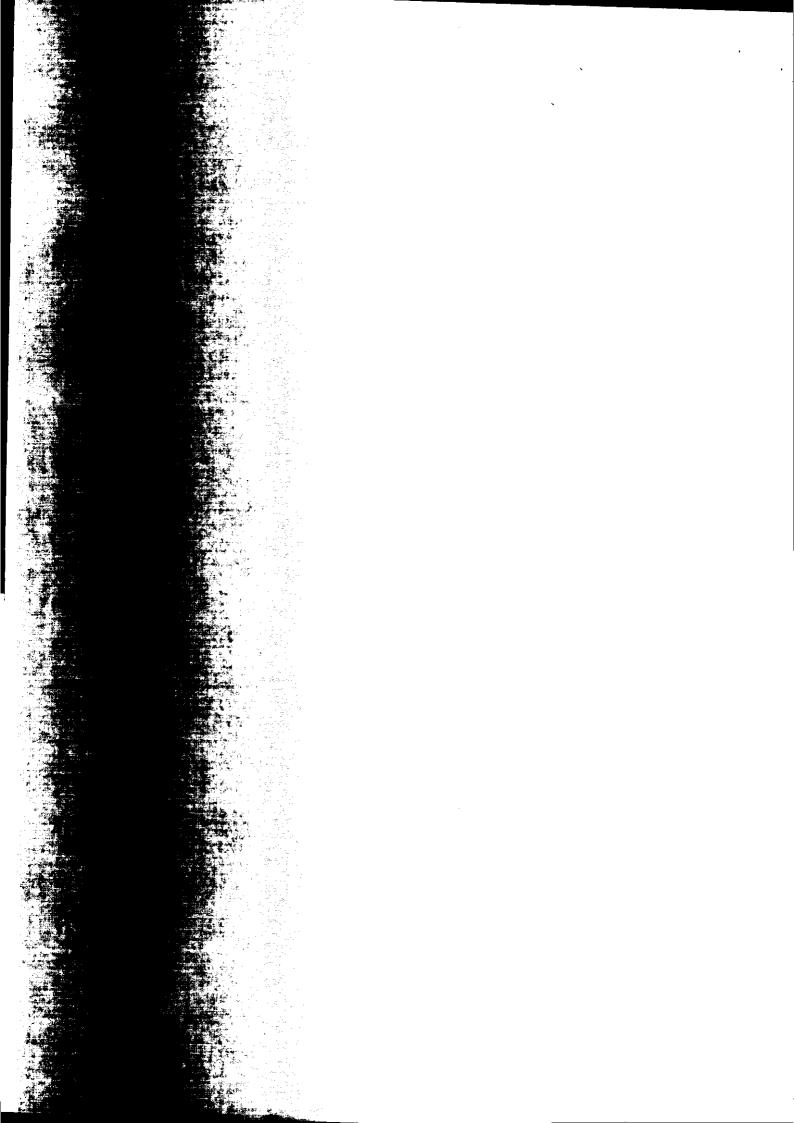
# ABBREVIATED CASH FLOW STATEMENT For the year ended 31 March 2004

	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 Financing	18	122,617 (231,052)	(393,280) 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.



## 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.

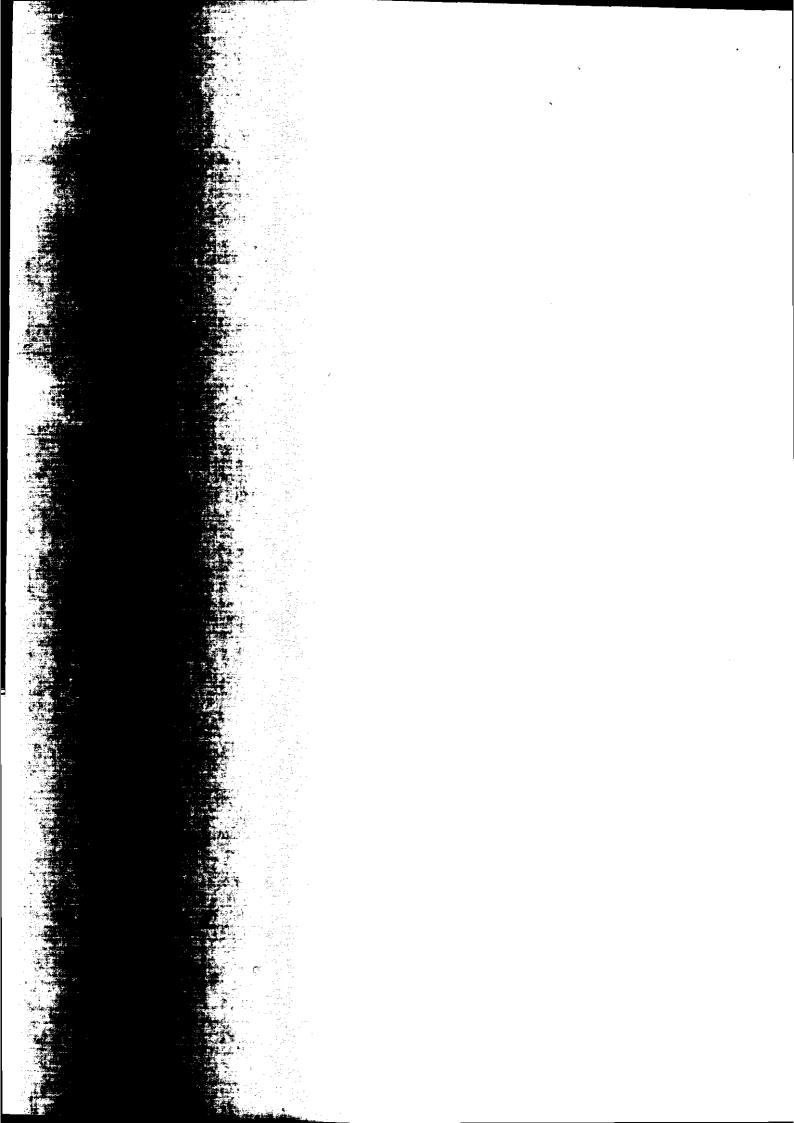
#### 1.6 Stocks

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.



## 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 - held under finance leases Auditors' remuneration	243,146 79,276 8,400	142,250 71,005 8,000
Operating lease rentals: - plant and machinery	8,724	3,924

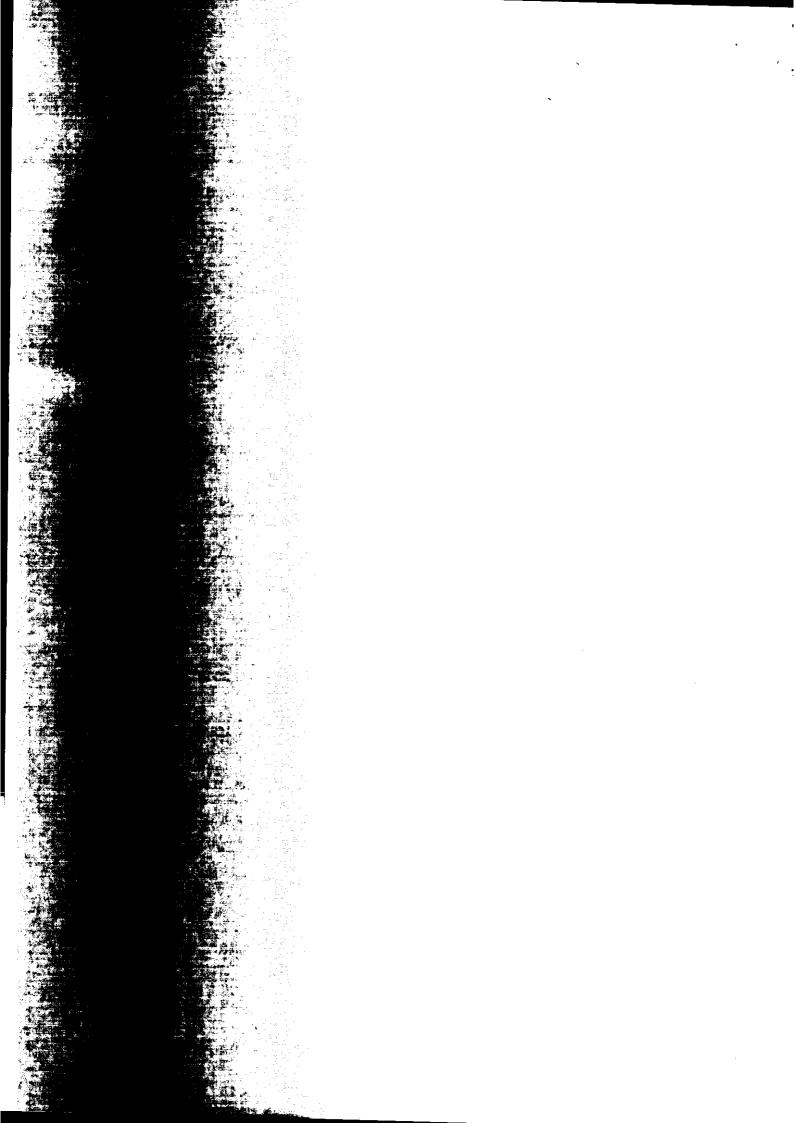
#### 3. STAFF COSTS

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
	£ 2,016,031	£ 1,766,547

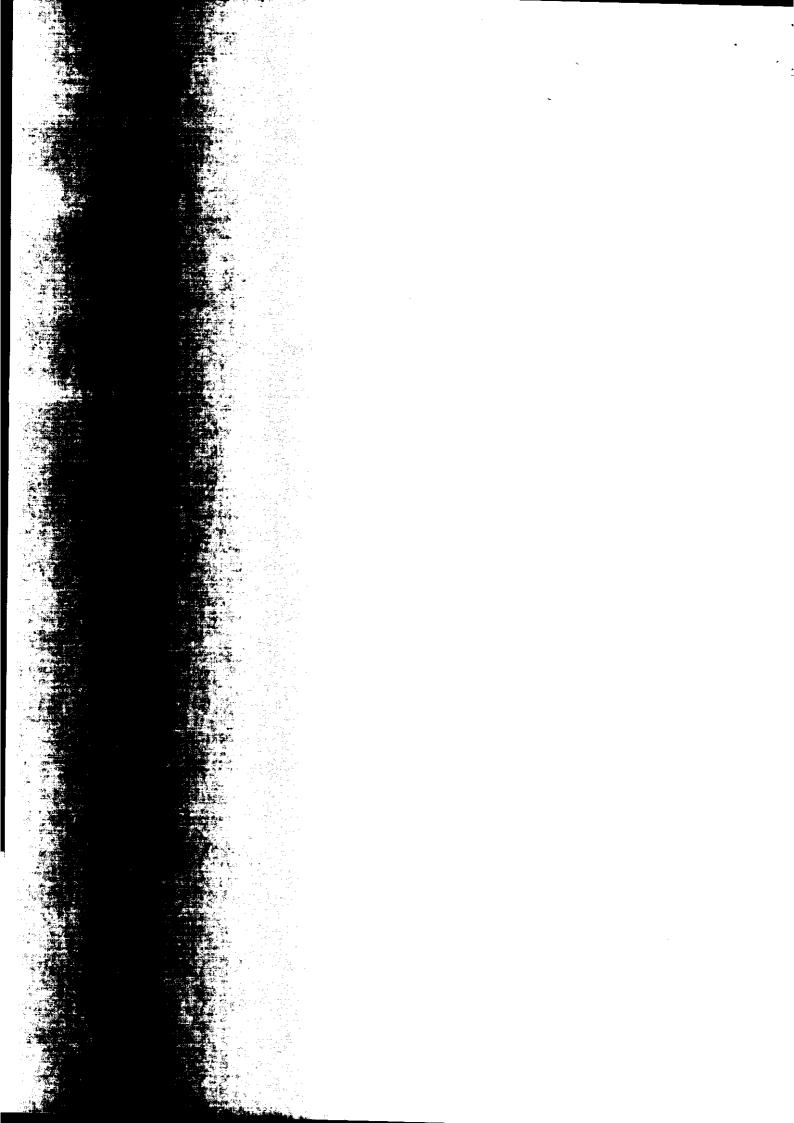
The average monthly number of employees, including directors, during the year was as follows:

2004	2003
No.	No.
117	106



## 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	£3	2,400	£ =	1,967
	During the year retirement benefits were accruing to 1 director (a purchase pension schemes.	2003	3 - 1) in (	respect	of money
5.	INTEREST PAYABLE				
			2004 £		2003 £
	On bank loans and overdrafts On other loans		44,964 17,787		29,450 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 Adjustments in respect of prior periods		85,000 (213)	_	85,282 - 
	Total current tax		84,787		85,282
	Deferred tax	_		_	
	Origination and reversal of timing differences Effect of increased tax rate on opening liability		(27,772) -		6,976 13,891
	Total deferred tax (see note 14)	_	(27,772)	_	20,867
	Tax on profit on ordinary activities	£	57,015	£	106,149



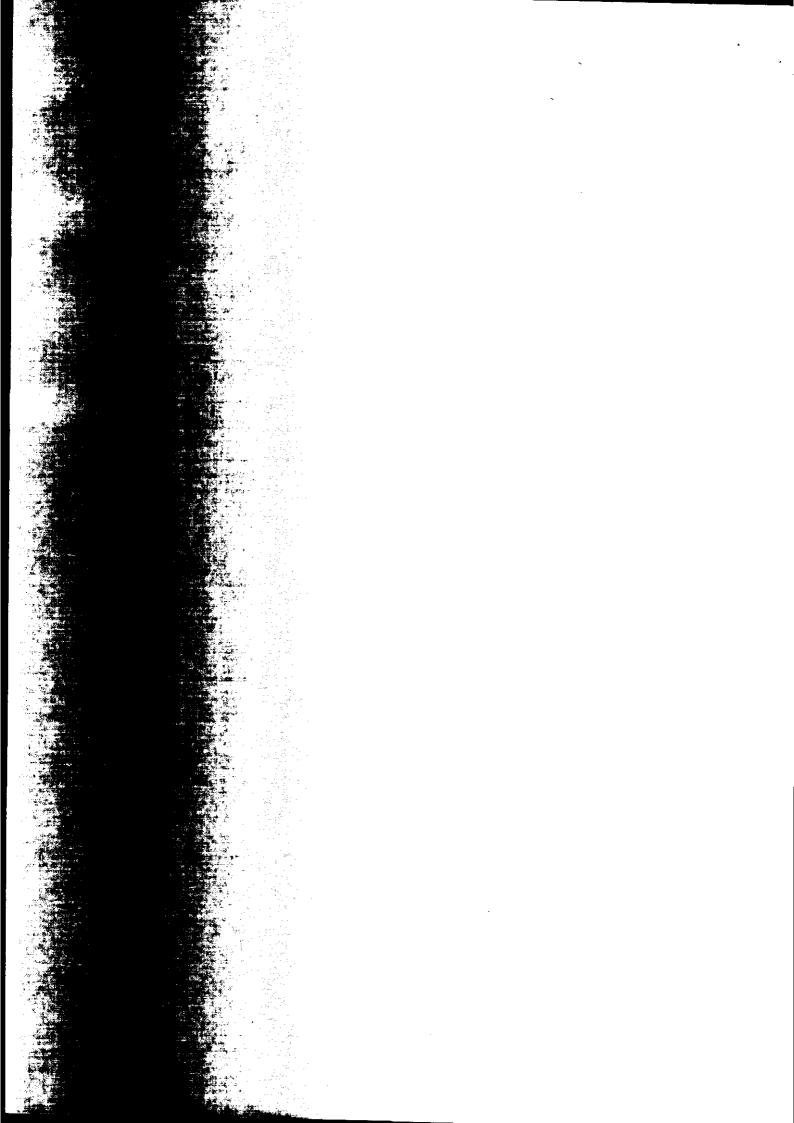
## NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

## 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		236,977		302,606
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 Rounding difference for provision purposes Adjustments to tax charge in respect of prior periods Depreciation in excess of capital allowances Permanent differences on expenses		(30,862) 1,428 (213) 51,293 (7,952)		(30,562) - - (6,976) 32,038
Current tax charge for year (see note above)	£3	84,787	£	85,282
Factors that may affect future tax charges				
There are no factors that may affect future tax charges.				
DIVIDENDS				
		2004 £		2003 £
On equity shares				
Total dividends proposed	£	15,000	£	12,500

7.



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

8.	TANGIBLE FIXED ASSETS				
		Land and buildings	Plant and machinery	Motor vehicles	Totai
		£	£	£	£
	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	1,486,944	1,099,128	272,579	2,858,651
	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	372,294	788,435	222,499	1,383,228
	Net book value				
	At 31 March 2004	£ 1,114,650	£ 310,693 £	50,080	£ 1,475,423
	At 31 March 2003	£ 1,152,021	£ 361,460 £	85,236	£ 1,598,717

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

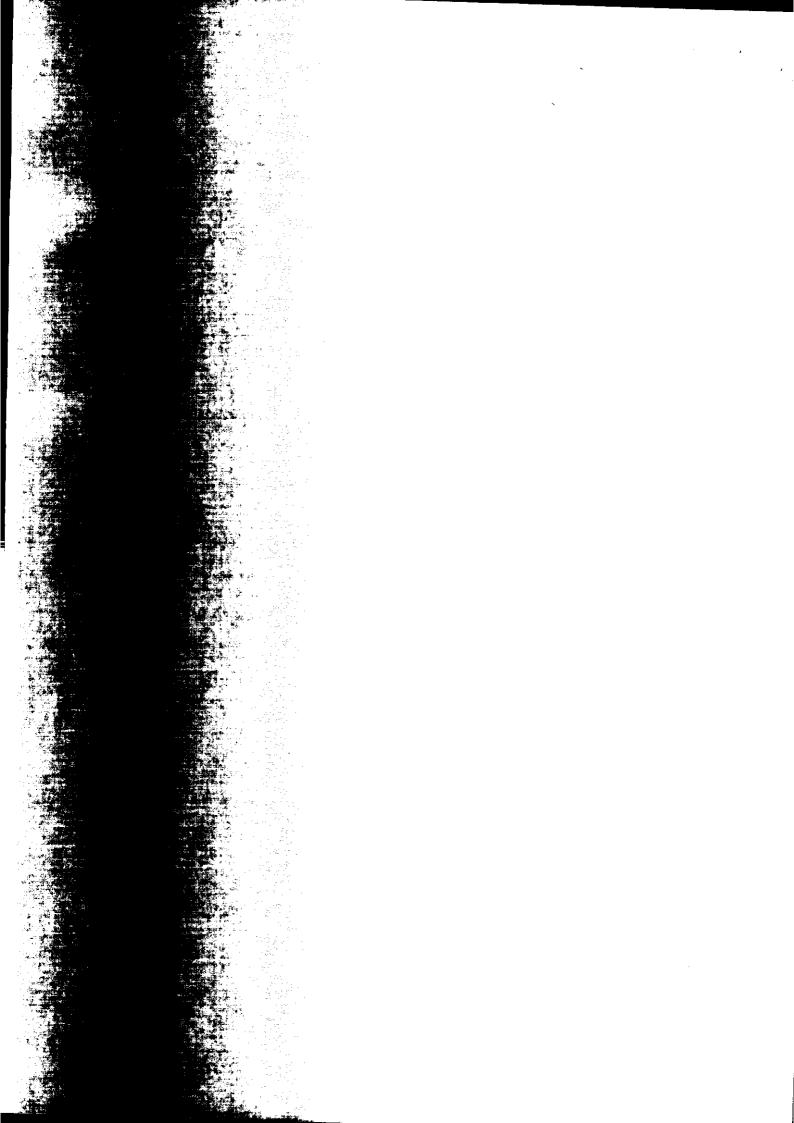
	2004	2003
	£	£
Land and buildings Plant and machinery	173,713 10,179	305,065 26,689
	£ 183,892	£ 331,754

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 £ 65,000

Cost
At 1 April 2003 and 31 March 2004



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

## **OWN SHARES - EMPLOYEE SHARE OWNERSHIP TRUST**

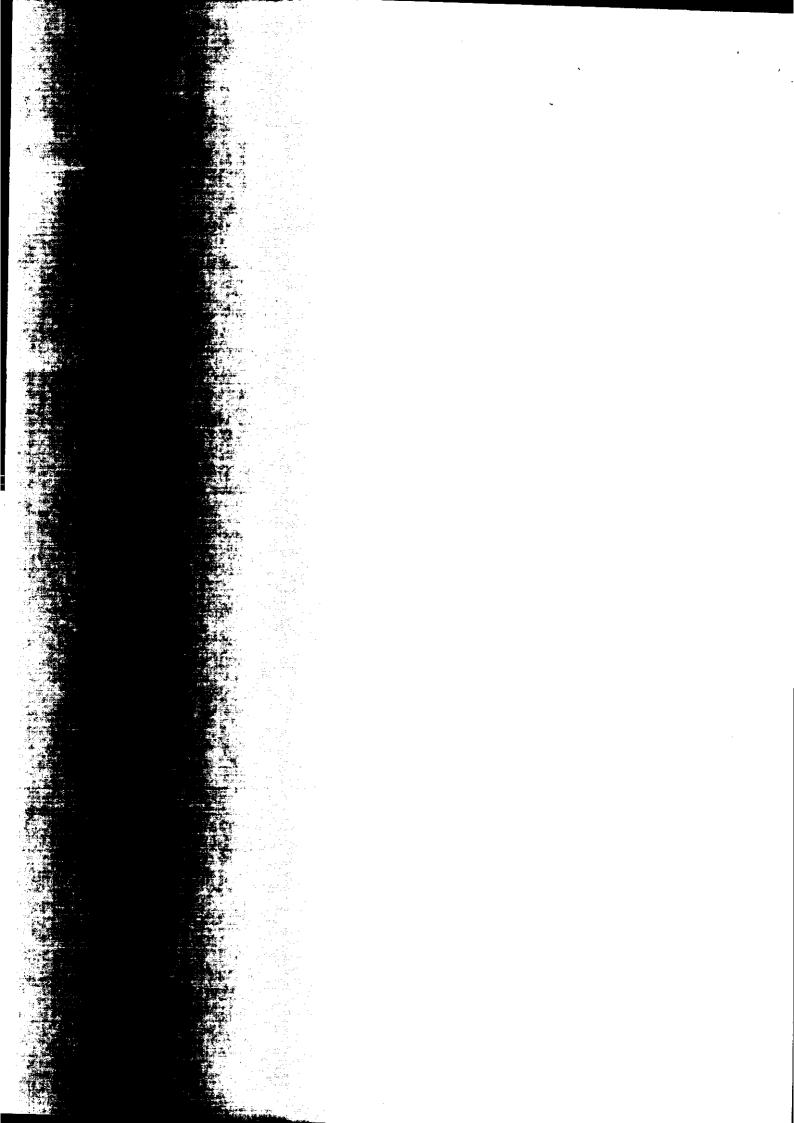
By deed dated 24 September 1997, the Company created an employee share ownership trust.

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 Finished goods and goods for resale	172,789 1,003,494	104,123 978,712
		£ 1,176,283	£ 1,082,835
11.	DEBTORS		
		2004 £	2003 £
	Due within one year		
	Trade debtors Other debtors	1,449,684 108,153	1,284,187 96,509
		£ 1,557,837	£ 1,380,696
12.	CREDITORS: Amounts falling due within one year		
	Amounts taking due within one year	2004	2003
		£	£
	Bank loans and overdrafts Net obligations under finance leases and hire purchase contracts Trade creditors Corporation tax Social security and other taxes Proposed dividend Other creditors Accruals and deferred income	181,844 69,671 1,223,675 85,000 159,882 15,000 62,500 84,731	75,934 98,706 1,156,364 85,282 115,049 12,500 62,500 49,262
		£ 1,882,303	£ 1,655,597

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



#### 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 Net obligations under finance leases and hire purchase contracts Government grants received	524,553 105,849 62,118	658,181 170,082 79,227					
\$	692,520	£ 907,490					
Included within the above are amounts falling due as follows:							
	2004 £	2003 £					
Between one and two years Bank loans	61,069	65,621					
Between two and five years Bank loans	208,663	235,072					
Over five years Bank loans	254,821	357,488					
Creditors include amounts not wholly repayable within 5 years as follows:							
	2004 £	2003 £					
Repayable by instalments	254,821	£ 357,488					
Obligations under finance leases and hire purchase contracts, included	above, are pay	able as follows:					
	2004	2003					

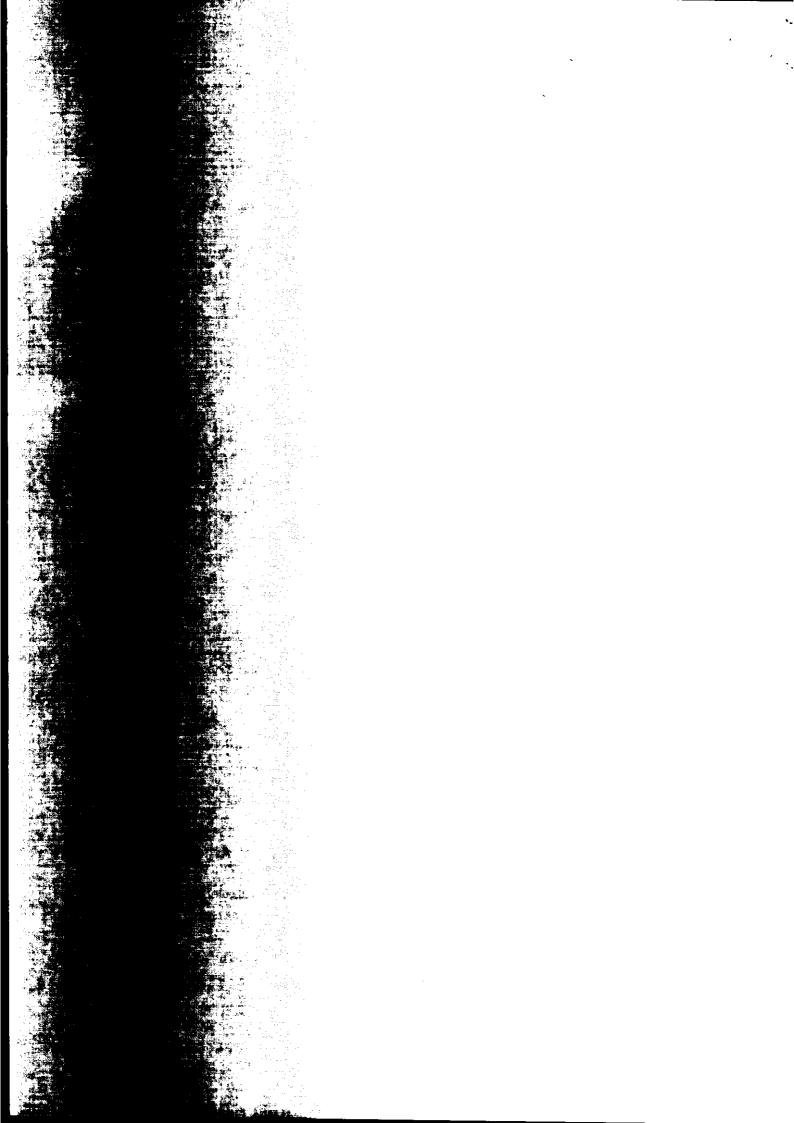
Finance lease assets are secured against their repayment contracts.

Between two and five years

£ 170,082

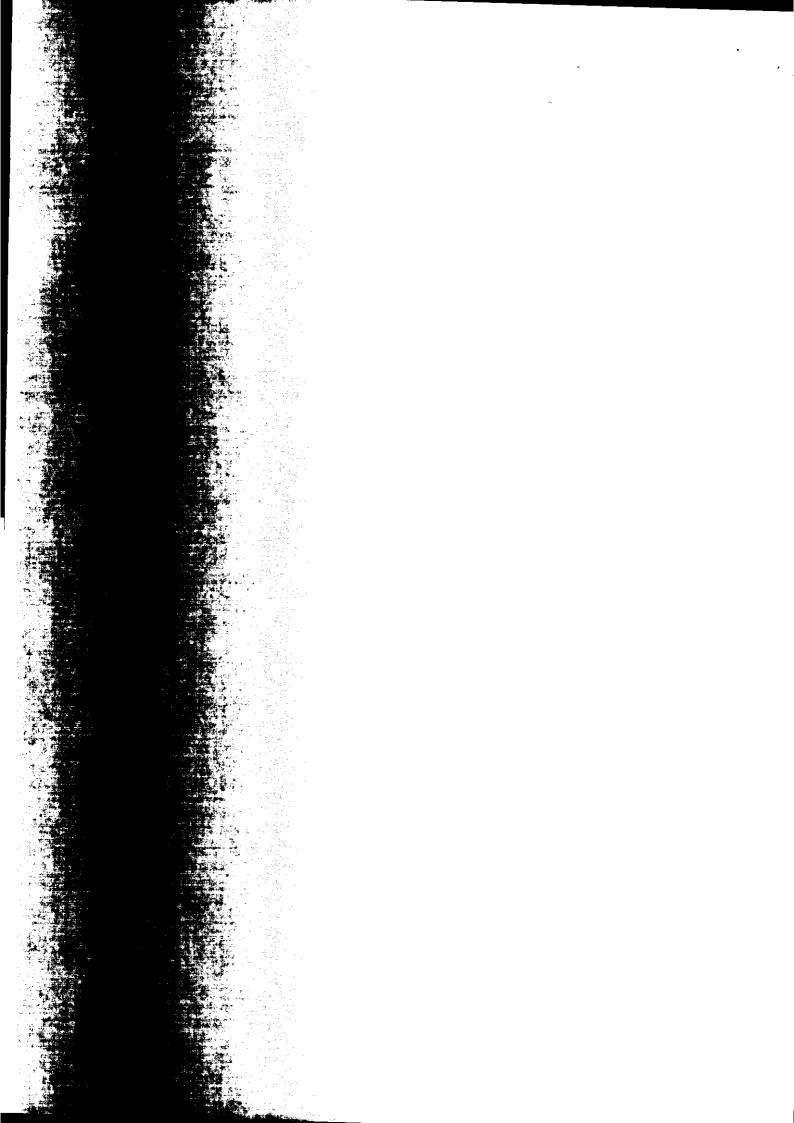
£

£ 105,849



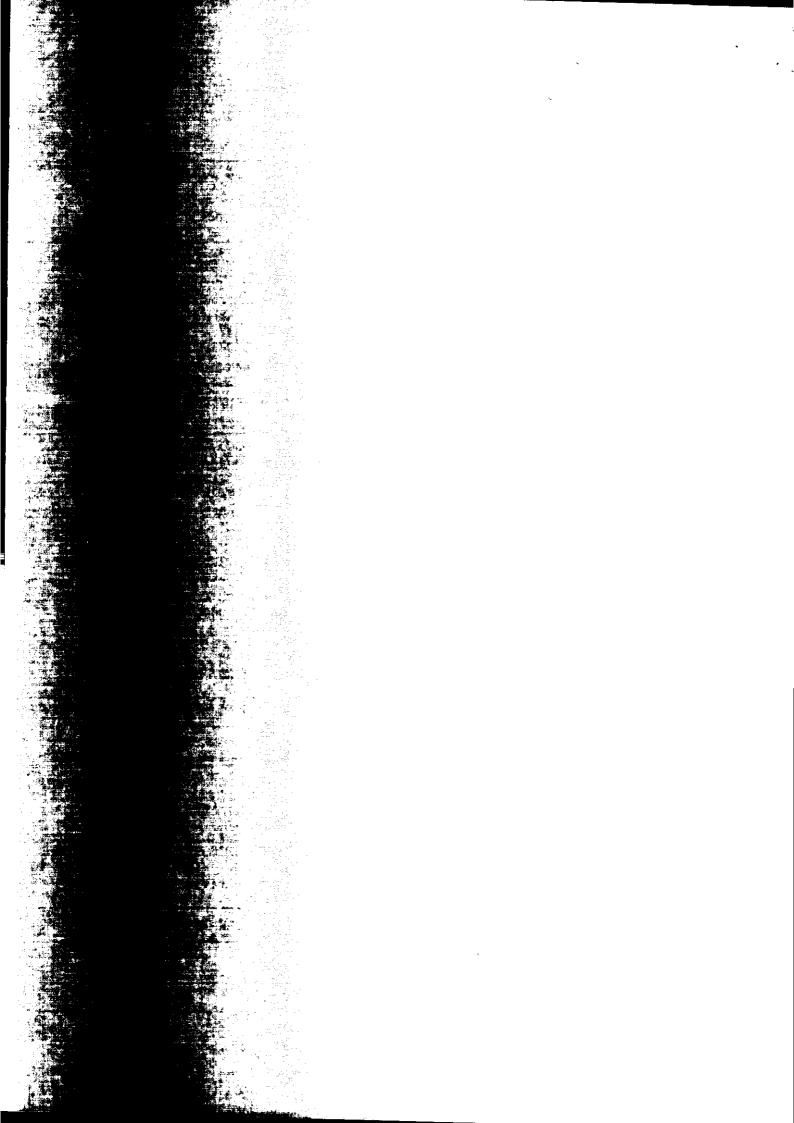
## NOTES TO THE ABBREVIATED ACCOUNTS For the year ended 31 March 2004

14.	DEFERRED TAXATION				
			2004 £		2003 £
	At 1 April 2003 and 31 March 2004	3	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	=	<del></del>	<u>-</u>	<del></del>
	700,000 Ordinary shares of 5p each	£	35,000	£	35,000 
16.	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	;	_		
			2004 £		2003 £
	Profit for the year Dividends		179,962 (15,000)		196,457 (12,500)
		-	164,962	•	183,957
	Opening shareholders' funds		1,517,166		1,333,209
	Closing shareholders' funds	£	1,682,128	£	1,517,166
	-	=		;	



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

17.	NET CASH FLOW FROM OPERATING ACTIVITIES				
			2004		2003 £
	Operating profit Depreciation of tangible fixed assets (Profit)/loss on disposal of tangible fixed assets Government grants (Increase)/decrease in stocks Increase in debtors		£ 299,728 338,952 (2,317) (25,600) (93,448) (177,141) 121,113		353,612 213,255 1,408 (13,602) (25,223) (108,266) 123,990
	Increase/(decrease) in creditors  NET CASH INFLOW FROM OPERATIONS	£	461,287	£	545,174
18.	ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE C	CASI	H FLOW STA	TEME	NT
			2004 £		2003 £
	RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
	Interest paid	£	(62,751)	£	(51,006)
			2004 £		2003 £
	CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT				
	Purchase of tangible fixed assets Sale of tangible fixed assets Government grants received		(201,611) 4,800 8,491		(877,556) 600 34,309
	NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	£	(188,320)	£	(842,647)
			2004 £		2003 £
	FINANCING				
	New secured loans Repayment of loans Principal payment under finance lease		- (137,784) (93,268)		542,870 (39,764) (101,974)
	NET CASH (OUTFLOW)/INFLOW FROM FINANCING	£	(231,052)	£	401,132



## 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)
	(12,856)	(108,435)	•	(121,291)
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)
NET DEBT	£(1,001,250)	£ 122,617	£ -	£ (878,633)

#### 20. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for the benefit of employees. The assets of the scheme are held seperately 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.

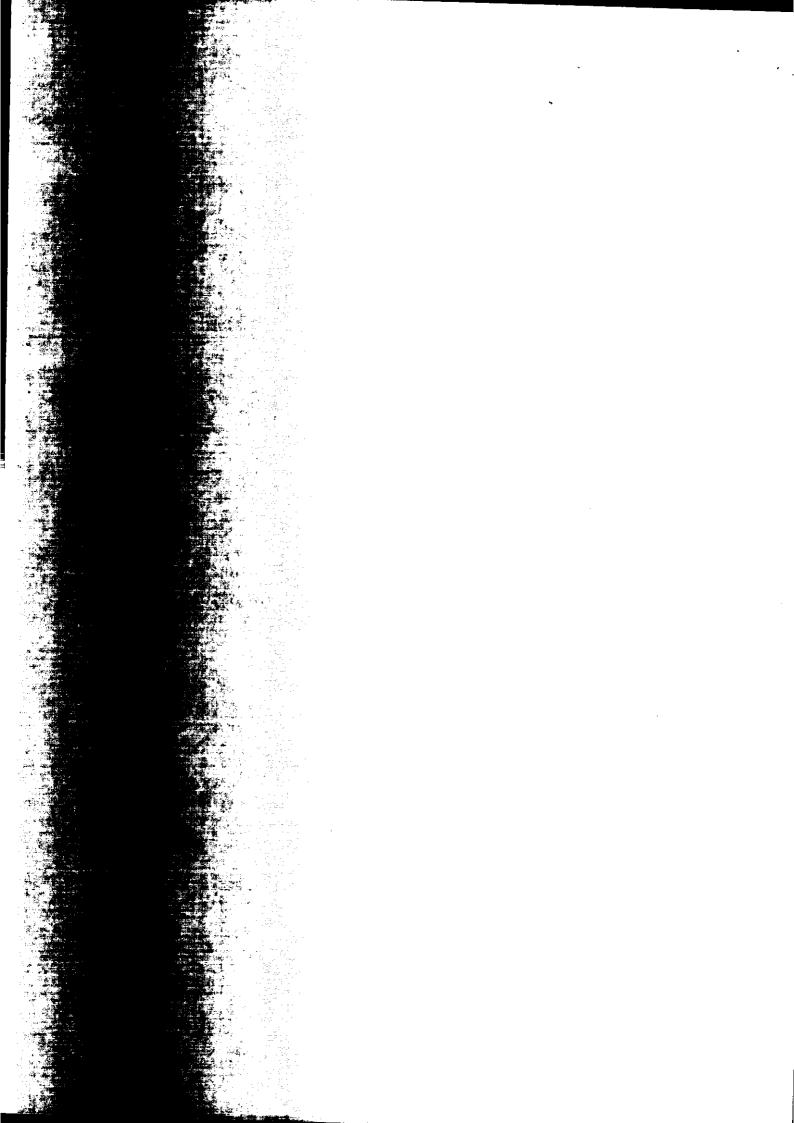
## 21. OPERATING LEASE COMMITMENTS

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

	Land and buildings		Other		
	2004 £	2003 £	2004 £	<i>2003</i> £	
Expiry date: Within 1 year			256	<i>52</i> 6	
Between 2 and 5 years After more than 5 years	21,600 -	- 21,600	-	-	
· · · · · · · · · · · · · · · · · · ·					

## 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).



## 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.

