

Company Registration No. 916700 (England and Wales)

**BOSS & CO LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2001**



# **BOSS & CO LIMITED**

## **COMPANY INFORMATION**

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**Directors**

K J Fincken  
P E Fincken  
A Cowan

**Secretary**

A J Power

**Company number**

916700

**Registered office**

1 Hillingdon Road  
Uxbridge  
Middlesex  
UB10 0AA

**Auditors**

Westbury Schotness  
145-157 St John Street  
London  
EC1V 4PY

**Business address**

16 Mount Street  
London  
W1K 2RH

**Bankers**

Bank of Scotland PLC  
38 Threadneedle Street  
London  
EC2P 2EH

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# BOSS & CO LIMITED

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# **BOSS & CO LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2001**

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The directors present their report and financial statements for the year ended 31 March 2001.

### **Principal activities**

The principal activity of the company in the year under review were the manufacture and sale of guns, accessories and after care services.

### **Directors**

The following directors have held office since 1 April 2000:

T M Robertson	(Resigned 25 September 2000)
K J Fincken	
P E Fincken	
A Cowan	

### **Directors' interests**

None of the directors who held office at the end of the financial year had any beneficial interest in the share capital of the company.

A Cowan holds a beneficial interest in the immediate parent company, and K Fincken and P Fincken hold a beneficial interest in Bradenham Holdings Limited. Details of their holdings are disclosed in those financial statements.

### **Share capital**

Details of changes in the issued share capital during the year ended 31 March 2001 are given in note 12 on page 10.

### **Fixed assets**

Since the acquisition of the company the present management has reclassified and revalued some of fixed assets.

### **Auditors**

Westbury Schotness were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

# BOSS & CO LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

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### Directors' responsibilities

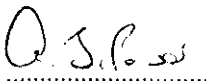
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



A J Power

Secretary



# BOSS & CO LIMITED

## AUDITORS' REPORT TO THE SHAREHOLDERS OF BOSS & CO LIMITED

We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out on page 6.

### Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the 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 our 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 31 March 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Westbury Schotness*

**Westbury Schotness**

Chartered Accountants  
**Registered Auditor**

*31/10/01*

.....  
145-157 St John Street  
London  
EC1V 4PY

# BOSS & CO LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2001

	Notes	2001 £	2000 £
Turnover	2	397,565	389,410
Cost of sales		(260,261)	(242,651)
<b>Gross profit</b>		137,304	146,759
Administrative expenses		(463,451)	(214,401)
<b>Operating loss</b>	3	(326,147)	(67,642)
Other interest receivable and similar income		-	4,255
Interest payable and similar charges	4	(8,846)	-
<b>Loss on ordinary activities before taxation</b>		(334,993)	(63,387)
Tax on loss on ordinary activities	5	-	35
<b>Loss on ordinary activities after taxation</b>	13	(334,993)	(63,352)

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

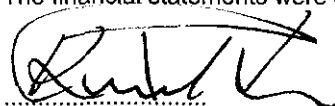
There are no recognised gains and losses other than those passing through the profit and loss account.

# BOSS & CO LIMITED

## BALANCE SHEET AS AT 31 MARCH 2001

	Notes	2001 £	£	2000 £	£
<b>Fixed assets</b>					
Tangible assets	6		959,128		609,914
<b>Current assets</b>					
Stocks	7	1,041,655		688,912	
Debtors	8	186,160		93,383	
Cash at bank and in hand		232		752	
		<u>1,228,047</u>		<u>783,047</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(1,084,043)</u>		<u>(741,351)</u>	
<b>Net current assets</b>			144,004		41,696
<b>Total assets less current liabilities</b>			<u>1,103,132</u>		<u>651,610</u>
<b>Creditors: amounts falling due after more than one year</b>	10		(156,515)		-
			<u>946,617</u>		<u>651,610</u>
<b>Capital and reserves</b>					
Called up share capital	12	650,000		20,000	
Revaluation reserve	13	550,000		550,000	
Profit and loss account	13	(253,383)		81,610	
<b>Shareholders' funds</b>	14		<u>946,617</u>		<u>651,610</u>
Equity interests			306,617		641,610
Non-equity interests			640,000		10,000
			<u>946,617</u>		<u>651,610</u>

The financial statements were approved by the Board on 31/10/01



K J Fincken  
Director



# BOSS & CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2001

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

#### 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 are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings	Over the life of the lease
Plant and machinery etc	10% straight line

#### 1.4 Leasing

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.

Work In Progress is based on the Directors valuation of the cost of materials and direct labour at the balance sheet date.

Net Realisable Value is based on estimated selling price less further costs to completion and disposal.

#### 1.6 Long term contracts

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts. Progress payments are included in creditors as payments on account.

#### 1.7 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

#### 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.

# BOSS & CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating loss	2001 £	2000 £
Operating loss is stated after charging:		
Depreciation of tangible assets	30,465	3,818
Operating lease rentals	96,563	49,508
Auditors' remuneration	3,000	2,500

4 Interest payable	2001 £	2000 £
On bank loans and overdrafts	8,039	-
Lease finance charges	807	-
	8,846	-

5 Taxation	2001 £	2000 £
Prior years		
U.K. corporation tax	-	(35)

On the basis of these financial statements no provision has been made for corporation tax.

# BOSS & CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

### 6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 April 2000	27,267	653,976	681,243
Additions	312,473	67,207	379,680
At 31 March 2001	339,740	721,183	1,060,923
<b>Depreciation</b>			
At 1 April 2000	1,818	69,511	71,329
Charge for the year	22,649	7,817	30,466
At 31 March 2001	24,467	77,328	101,795
<b>Net book value</b>			
At 31 March 2001	315,273	643,855	959,128
At 31 March 2000	25,449	584,465	609,914

### 7 Stocks

	2001 £	2000 £
Raw materials and consumables	167,078	197,941
Finished goods and goods for resale	874,577	490,971
	1,041,655	688,912

### 8 Debtors

	2001 £	2000 £
Trade debtors	114,460	61,553
Amounts owed by parent and fellow subsidiary undertakings	8,608	-
Other debtors	37,092	15,500
Prepayments and accrued income	26,000	16,330
	186,160	93,383

# BOSS & CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

<b>9 Creditors: amounts falling due within one year</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	413,024	15,334
Payments received on account	447,312	488,776
Trade creditors	152,292	760
Amounts owed to parent and fellow subsidiary undertakings	3,111	212,796
Taxes and social security costs	65,304	9,032
Accruals and deferred income	3,000	14,653
	<u>1,084,043</u>	<u>741,351</u>

The bank overdraft is secured by a fixed and floating charge over the assets of the company. Details of the security given for the bank loan is shown in note 10.

<b>10 Creditors: amounts falling due after more than one year</b>	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Bank loans	<u>156,515</u>	<u>-</u>
<b>Analysis of loans</b>		
Wholly repayable within five years	<u>270,158</u>	<u>-</u>
	270,158	-
Included in current liabilities	<u>(113,643)</u>	<u>-</u>
	<u>156,515</u>	<u>-</u>
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	113,643	-
In more than two years but not more than five years	<u>42,872</u>	<u>-</u>

In addition to the security detailed in the related party transactions note, the bank loan is secured by a fixed and floating charge over the assets of the company.

### 11 Pension costs

The company used to operate a defined contribution pension scheme. The assets of the scheme were held separately from those of the company in an independently administered fund. The pension cost charge represented contributions payable by the company to the fund and amounted to £Nil in 2001 (2000-£4,000).

# BOSS & CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

12 Share capital	2001 £	2000 £
<b>Authorised</b>		
10,000 Ordinary shares of £ 1 each	10,000	10,000
10,000 7% Preference shares of £ 1 each	10,000	10,000
900,000 Cumulative Preference shares of £ 1 each	900,000	-
	<u>920,000</u>	<u>20,000</u>
<b>Allotted, called up and fully paid</b>		
10,000 Ordinary shares of £ 1 each	10,000	10,000
10,000 7% Preference shares of £ 1 each	10,000	10,000
630,000 Cumulative Preference shares of £ 1 each	630,000	-
	<u>650,000</u>	<u>20,000</u>

On 30 March 2001 the company increased its called up share capital from £20,000 to £650,000 by an issue of 630,000 cumulative redeemable preference shares of £1 each, which can be redeemed at any time at the company's discretion.

### 13 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 April 2000	550,000	81,610
Retained loss for the year	-	(334,993)
Balance at 31 March 2001	<u>550,000</u>	<u>(253,383)</u>

14 Reconciliation of movements in shareholders' funds	2001 £	2000 £
Loss for the financial year	(334,993)	(63,352)
Other recognised gains and losses	-	550,000
Proceeds from issue of shares	630,000	-
Net addition to shareholders' funds	<u>295,007</u>	<u>486,648</u>
Opening shareholders' funds	651,610	164,962
Closing shareholders' funds	<u>946,617</u>	<u>651,610</u>

# BOSS & CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2001

### 15 Financial commitments

At 31 March 2001 the company had annual commitments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Expiry date:		
Within one year	22,500	34,000
Between two and five years	11,500	-
In over five years	70,000	70,765
	<u>104,000</u>	<u>104,765</u>

### 16 Capital commitments

At 31 March 2001 the company had capital commitments as follows:

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Contracted for but not provided in the financial statements	-	265,000

### 17 Directors' emoluments

	<b>2001</b>	<b>2000</b>
	<b>£</b>	<b>£</b>
Emoluments for qualifying services	100,000	40,000
Company pension contributions to money purchase schemes	-	4,000
	<u>100,000</u>	<u>44,000</u>

# BOSS & CO LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2001

### 18 Employees

#### Number of employees

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

	2001 Number	2000 Number
Sales and administration	8	7
Manufacturing	8	5
	<u>16</u>	<u>12</u>

#### Employment costs

	£	£
Wages and salaries	361,436	200,295
Social security costs	35,679	5,490
Other pension costs	-	4,000
	<u>397,115</u>	<u>209,785</u>

### 19 Control

The immediate holding company is Boss Equity Holdings Limited, a company registered in England and Wales. That company prepares group financial statements.

The ultimate holding company is First Security Holdings Limited, a company incorporated in the British Virgin Islands.

### 20 Related party transactions

During the year North West Estates PLC - a fellow subsidiary of First Security Holdings Limited - converted £630,000 of its loan to the company into cumulative redeemable preference shares.

As at 31 March 2001 there is a guarantee of £600,000 plus interest in respect of the bank loan and overdraft, provided by North West Estates PLC, who additionally have provided a first legal charge over one of its properties.