Registrar of Companies

HAIR PROFESSIONAL LIMITED

Company No: 01434821

FINANCIAL STATEMENTS

- for the year ended -

31 MARCH 1998

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COMPANIES HOUSE 05/09/98

HAIR PROFESSIONAL LIMITED

DIRECTORS

P Papaspyrou
Mrs M Papaspyrou
Mrs M Hall

SECRETARY

Miss A Papaspyrou

BUSINESS ADDRESS

86 King Street
Maidstone
Kent
ME14 1BH

REGISTERED OFFICE

86 King Street
Maidstone
Kent
ME14 1BH

HAIR PROFESSIONAL LIMITED

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HAIR PROFESSIONAL LIMITED

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 March 1998.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is that of Hairdressers.

The results for the year have been encouraging and the directors' are confident for the future.

DIVIDEND AND TRANSFER TO RESERVES

The directors have paid an interim dividend amounting to £9,100, and they do not recommend payment of a final dividend.

It is proposed that the retained profit of £2,292 is transferred to reserves.

FIXED ASSETS

Full disclosure of all matters relating to fixed assets is set out in the notes to the financial statements.

DIRECTORS AND THEIR INTERESTS

The directors at the balance sheet date and their interests in the company at that date and at the beginning of the year (or on appointment if later), were as follows:

	Class of share	Number of shares 1998	1997
P Papaspyrou	Ordinary shares	79	79
Mrs M Papaspyrou	Ordinary shares	1	1
Mrs M Hall	Ordinary shares	10	10

CLOSE COMPANY

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

By Order of the Board

Date: 21-8-1998

Miss A Papaspyrou
Secretary

HAIR PROFESSIONAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 1998

	Notes	1998 £	1997 £
TURNOVER		105,877	113,739
Cost of sales		(24,642)	(22,681)
GROSS PROFIT		81,235	91,058
Administrative expenses		(64,303)	(71,539)
OPERATING PROFIT	2	16,932	19,519
Interest payable	3	(2,306)	(1,540)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		14,626	17,979
Tax on profit on ordinary activities	5	(3,234)	(4,484)
PROFIT FOR THE FINANCIAL YEAR		11,392	13,495
Dividends	6	(9,100)	(13,260)
RETAINED PROFIT FOR THE YEAR	14	2,292	235

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 5 to 9 form part of these financial statements.

HAIR PROFESSIONAL LIMITED

BALANCE SHEET AT 31 MARCH 1998

	Notes	1998 £	1998 £	1997 £	1997 £
FIXED ASSETS					
Tangible assets	7		20,025		24,045
CURRENT ASSETS					
Stocks	8	5,548		5,714	
Debtors	9	1,279		2,052	
Cash at bank and in hand		85		71	
		6,912		7,837	
CREDITORS: Amounts falling due within one year	10	(19,231)		(21,154)	
NET CURRENT LIABILITIES			(12,319)		(13,317)
TOTAL ASSETS LESS CURRENT LIABILITIES			7,706		10,728
CREDITORS: Amounts falling due after more than one year	11		(8,318)		(13,632)
			(612)		(2,904)
CAPITAL AND RESERVES					
Called up share capital	13		100		100
Profit and loss account	14		(712)		(3,004)
			(612)		(2,904)

The statements required to be made by the company's directors and the signatures required by the Companies Act 1985 are given on the following page.

The notes on pages 5 to 9 form part of these financial statements.

BALANCE SHEET AT 31 MARCH 1998 (Continued)

The directors have taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for ensuring that:-

i) The company keeps accounting records which comply with section 221 of the Companies Act 1985;

ii) The financial statements give a true and fair view of the state of affairs of the company as at 31 March 1998 and of its profit or loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as is applicable to the company.

The financial statements were approved by the board on 21.8.1998 and signed on its behalf by

P Papaspyrou .....)
) Directors
Mrs M Hall .....)

The notes on pages 5 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998

1. ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

1.2 TURNOVER

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year.

1.3 DEPRECIATION

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Fixtures and fittings	25% Reducing balance

1.4 STOCKS

Stocks are valued at the lower of cost and net realisable value.

1.5 DEFERRED TAXATION

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable future.

2. OPERATING PROFIT

	1998 £	1997 £
The operating profit is stated after charging:-		
Depreciation	4,156	5,220
Hire of equipment	180	150

3. INTEREST PAYABLE

	1998 £	1997 £
On bank loans and overdrafts and on loans repayable in full within five years	2,306	1,535
On overdue tax	-	5
	2,306	1,540

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998

4. DIRECTORS AND EMPLOYEES

	1998 £	1997 £
Staff costs:-		
Wages and salaries	35,067	38,047
Social security costs	995	681
	36,062	38,728

The average weekly number of employees during the year was made up as follows:	Number	Number
Management	3	3
Hairdressers	7	4
	10	7

	£	£
Directors' emoluments:-		
Remuneration for management services	14,276	12,663

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1998 £	1997 £
The taxation charge based on the profit before tax comprises:-		
U.K. corporation tax at 21% (1997 - 24%)	3,234	4,484
	3,234	4,484

6. DIVIDENDS

	1998 £	1997 £
Equity interests		
Ordinary:-		
Interim dividend paid during the year	9,100	13,260
	9,100	13,260

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998

7. TANGIBLE ASSETS

Cost	Beginning of year £	Additions £	End of year £
Improvements to property	7,562	-	7,562
Fixtures and fittings	26,419	136	26,555
	33,981	136	34,117

Depreciation	Beginning of year £	Charge for year £	End of year £
Fixtures and fittings	9,936	4,156	14,092
	9,936	4,156	14,092

	Beginning of year £	End of year £
Total net book values	24,045	20,025

8. STOCKS

	1998 £	1997 £
Consumable goods for resale	5,548	5,714
	5,548	5,714

9. DEBTORS

	1998 £	1997 £
Advance corporation tax	721	1,527
Prepayments and accrued income	558	525
	1,279	2,052

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1998 £	1997 £
Bank loans and overdrafts	6,000	6,027
Trade creditors	2,878	2,921
Corporation tax	154	1,463
Other taxes and social security costs	3,207	1,151
Directors' current accounts	3,581	5,040
Other creditors	746	2,195
Accruals and deferred income	2,665	2,357
	19,231	21,154

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	1998 £	1997 £
Loans	8,318	13,632
	8,318	13,632

12. BORROWINGS	1998 £	1997 £
The company's borrowings are repayable as follows:		
In one year, or less or on demand	6,000	6,027
Between two and five years	8,318	13,632
	14,318	19,659

Details of security:

The company's borrowings are secured on the property at 86 King Street, Maidstone, which is owned by P Papaspyrou.

13. SHARE CAPITAL	1998 £	1997 £
Authorised		
Equity interests:		
100 Ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
Equity interests:		
100 Ordinary shares of £1 each	100	100

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998

14. PROFIT AND LOSS ACCOUNT

	1998 £	1997 £
Accumulated losses at 1 April 1997	(3,004)	(3,239)
Retained profit for the year	2,292	235
Accumulated losses at 31 March 1998	(712)	(3,004)

15. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1998 £	1997 £
Profit for the financial year	11,392	13,495
Dividends	(9,100)	(13,260)
	2,292	235
Shareholders' funds at 1 April 1997	(2,904)	(3,139)
Shareholders' funds at 31 March 1998	(612)	(2,904)
Represented by:-		
Equity interests	(612)	(2,904)
	(612)	(2,904)