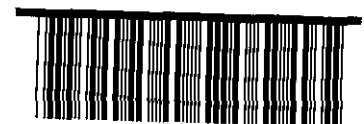


Registration number 4108607

Paul's Hair Salons Limited

Director's report and financial statements

for the period ended 31 March 2002



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Paul's Hair Salons Limited

Company information

Director P Polyviou

Secretary S Polyviou

Company number 4108607

Registered office Brook Point
1412-1420 High Road
London
N20 9BH

Accountants ALG
Chartered Certified Accountants
Registered Auditors
Brook Point
1412-1420 High Road
London
N20 9BH

Paul's Hair Salons Limited

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The following do not form part of the Statutory Financial Statements:-

Detailed Trading and Profit and Loss Account	10 - 11
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Paul's Hair Salons Limited

**Director's report
for the period ended 31 March 2002**

The director presents his report and the financial statements for the period ended 31 March 2002.

Incorporation and change of name

The company was incorporated on 15 November 2000 and commenced to trade on 6 April 2001. On that date the Goodwill of P Polyviou trading as 'Paul's Hairdressers' was transferred to the company at a value of £120,000 along with the plant and stock at book value.

Principal activity

The principal activity of the company is that of Hairdressers.

Director and his interest

The director who served during the period and his interest in the company are as stated below:

	Ordinary shares	
	31/03/02	15/11/00
P Polyviou	1,000	1,000

Accountants

ALG were appointed accountants during the period and the director recommends that ALG remain in office until further notice.

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

This report was approved by the Board on 3 September 2002 and signed on its behalf by



**S Polyviou
Secretary**

Paul's Hair Salons Limited

**Profit and loss account
for the period ended 31 March 2002**

		2002
	Notes	£
Turnover	2	395,289
Cost of sales		(24,541)
Gross profit		<u>370,748</u>
Administrative expenses		(342,773)
Other operating income		5,944
Operating profit	3	<u>33,919</u>
Interest payable and similar charges		(2,463)
Profit on ordinary activities before taxation		<u>31,456</u>
Tax on profit on ordinary activities	5	(7,932)
Retained profit for the period		<u><u>23,524</u></u>

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

Paul's Hair Salons Limited

**Balance sheet
as at 31 March 2002**

	Notes	2002	
		£	£
Fixed assets			
Intangible assets	6		114,000
Tangible assets	7		10,673
			<u>124,673</u>
Current assets			
Stocks		3,992	
Cash at bank and in hand		5,027	
		<u>9,019</u>	
Creditors: amounts falling due within one year	8	<u>(98,405)</u>	
Net current liabilities			<u>(89,386)</u>
Total assets less current liabilities			35,287
Creditors: amounts falling due after more than one year	9		(9,530)
Provisions for liabilities and charges	10		<u>(1,233)</u>
Net assets			<u>24,524</u>
Capital and reserves			
Called up share capital	12		1,000
Profit and loss account			23,524
Shareholders' funds			<u>24,524</u>

The director's statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

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

Paul's Hair Salons Limited

Balance sheet (continued)

**Director's statements required by Section 249B(4)
for the period ended 31 March 2002**

In approving these financial statements as director of the company I hereby confirm:

(a) that for the period stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the period ended 31 March 2002 and

(c) that I acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the period then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

The financial statements were approved by the Board on 3 September 2002 and signed on its behalf by



P Polyviou
Director

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

Paul's Hair Salons Limited

Notes to the financial statements for the period ended 31 March 2002

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	- 15% reducing balance
-------------------------------------	------------------------

1.5. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6. Stock

Stock is valued at the lower of cost and net realisable value.

1.7. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the period.

1.8. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director consider that a liability to taxation is unlikely to materialise.

2. Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the UK.

Paul's Hair Salons Limited

**Notes to the financial statements
for the period ended 31 March 2002**

3.	Operating profit	2002 £
	Operating profit is stated after charging:	
	Depreciation and other amounts written off intangible assets	6,000
	Depreciation and other amounts written off tangible assets	1,883
4.	Director's emoluments	2002 £
	Remuneration and other benefits	31,459
5.	Taxation	2002 £
	UK current year taxation	
	UK corporation tax	6,699
	Transfer to deferred taxation	1,233
		7,932
6.	Intangible fixed assets	
		Goodwill £
		Total £
	Cost	
	Additions	120,000
	At 31 March 2002	120,000
	Provision for diminution in value	
	Charge for period	6,000
	At 31 March 2002	6,000
	Net book value	
	At 31 March 2002	114,000

Paul's Hair Salons Limited

**Notes to the financial statements
for the period ended 31 March 2002**

7. Tangible fixed assets	Fixtures, fittings and equipment £	Total £
Cost		
Additions	12,556	12,556
At 31 March 2002	<u>12,556</u>	<u>12,556</u>
Depreciation		
Charge for the period	1,883	1,883
At 31 March 2002	<u>1,883</u>	<u>1,883</u>
Net book value		
At 31 March 2002	<u><u>10,673</u></u>	<u><u>10,673</u></u>
8. Creditors: amounts falling due within one year		2002 £
Bank overdraft		30,605
Bank loan		7,254
Corporation tax		6,699
Other taxes and social security costs		16,243
Director's accounts		32,037
Accruals and deferred income		<u>5,567</u>
		<u><u>98,405</u></u>
9. Creditors: amounts falling due after more than one year		2002 £
Bank loan		<u><u>9,530</u></u>

Paul's Hair Salons Limited

Notes to the financial statements
for the period ended 31 March 2002

10 Provisions for liabilities and charges

	Deferred taxation (Note 11) £	Total £
Movements in the year	1,233	1,233
At 31 March 2002	<u>1,233</u>	<u>1,233</u>

11. Deferred taxation

	Not provided 2002 £	Provided 2002 £
Accelerated capital allowances	-	<u>1,233</u>

Movements on the provision for deferred taxation are:

	2002 £
At 15 November 2000	-
Transferred from profit and loss account	1,233
At 31 March 2002	<u>1,233</u>

12. Share capital

	2002 £
Authorised	
1,000 Ordinary shares of £1 each	<u>1,000</u>
Allotted, called up and fully paid	
1,000 Ordinary shares of £1 each	<u>1,000</u>

Paul's Hair Salons Limited
Notes to the financial statements
for the period ended 31 March 2002

13. Financial commitments

At 31 March 2002 the company had annual commitments under non-cancellable operating leases as follows:

	2002
	£
Expiry date:	
Within one year	8,500
Between one and five years	16,202
In over five years	16,100
	40,802

14. Related party transactions

The company's bankers hold guarantees from the director for £25,000 and £23,500 dated 9 April 2001 and 20 April 2001 respectively.

15. Controlling interest

The ultimate controlling party is the director, P Polyviou.