

Registration number 4108607

Paul's Hair Salons Limited

Director's report and financial statements

for the year ended 31 March 2003



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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	11 - 12
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Paul's Hair Salons Limited

**Director's report
for the year ended 31 March 2003**

The director presents his report and the financial statements for the year ended 31 March 2003.

Principal activity

The principal activity of the company was that of Hairdressers.

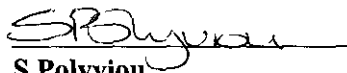
Director and his interest

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

	Ordinary shares	
	31/03/03	01/04/02
P Polyviou	1,000	1,000

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 20 November 2003 and signed on its behalf by


S Polyviou
Secretary

Paul's Hair Salons Limited

**Profit and loss account
for the year ended 31 March 2003**

		2003	2002
	Notes	£	£
Turnover	2	403,165	395,289
Cost of sales		(25,593)	(24,541)
Gross profit		377,572	370,748
Administrative expenses		(338,720)	(342,773)
Other operating income		8,935	5,944
Operating profit	3	47,787	33,919
Interest payable and similar charges		(4,165)	(2,463)
Profit on ordinary activities before taxation		43,622	31,456
Tax on profit on ordinary activities	6	(9,366)	(7,932)
Profit on ordinary activities after taxation		34,256	23,524
Dividends		(35,000)	-
(Loss)/retained profit for the year		(744)	23,524
Retained profit brought forward		23,524	-
Retained profit carried forward		22,780	23,524

The notes on pages 5 to 10 form an integral part of these financial statements.

Paul's Hair Salons Limited

**Balance sheet
as at 31 March 2003**

		2003		2002	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	7		108,000		114,000
Tangible assets	8		9,072		10,673
			<u>117,072</u>		<u>124,673</u>
Current assets					
Stocks		4,235		3,992	
Debtors	9	959		-	
Cash at bank and in hand		5,064		5,027	
		<u>10,258</u>		<u>9,019</u>	
Creditors: amounts falling due within one year	10	<u>(80,366)</u>		<u>(98,405)</u>	
Net current liabilities			<u>(70,108)</u>		<u>(89,386)</u>
Total assets less current liabilities			46,964		35,287
Creditors: amounts falling due after more than one year	11		(22,103)		(9,530)
Provisions for liabilities and charges	12		<u>(1,081)</u>		<u>(1,233)</u>
Net assets			<u>23,780</u>		<u>24,524</u>
Capital and reserves					
Called up share capital	14		1,000		1,000
Profit and loss account			22,780		23,524
Shareholders' funds			<u>23,780</u>		<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 10 form an integral part of these financial statements.

Paul's Hair Salons Limited

Balance sheet (continued)

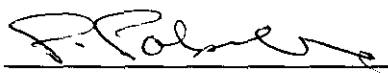
**Director's statements required by Section 249B(4)
for the year ended 31 March 2003**

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

- (a) that for the year 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 year ended 31 March 2003 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 year 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 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 June 2002).

The financial statements were approved by the Board on 20 November 2003 and signed on its behalf by



P Polyviou
Director

The notes on pages 5 to 10 form an integral part of these financial statements.

Paul's Hair Salons Limited

**Notes to the financial statements
for the year ended 31 March 2003**

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 June 2002).

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
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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 year.

1.8. Deferred taxation

Full provision is made for deferred tax, where material, in respect of timing differences that originate during the year but have not been reversed by the balance sheet date.

2. Turnover

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

3. Operating profit

Operating profit is stated after charging:

Depreciation and other amounts written off intangible assets
Depreciation and other amounts written off tangible assets

2003
£

2002
£

6,000

6,000

1,601

1,883

Paul's Hair Salons Limited

**Notes to the financial statements
for the year ended 31 March 2003**

4. Director's emoluments

	2003	2002
	£	£
Remuneration and other benefits	<u>28,953</u>	<u>31,459</u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	1	1

5. Pension costs

The company operates a defined contribution pension scheme in respect of the Director. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £2,400 (2002 - £2,200).

6. Tax on profit on ordinary activities

Analysis of charge in period	2003	2002
	£	£
Current tax		
UK corporation tax	<u>9,518</u>	<u>6,699</u>
Total current tax charge	<u>9,518</u>	<u>6,699</u>
Deferred tax		
Timing differences, origination and reversal	<u>(152)</u>	<u>1,233</u>
Total deferred tax	<u>(152)</u>	<u>1,233</u>
Tax on profit on ordinary activities	<u>9,366</u>	<u>7,932</u>

Paul's Hair Salons Limited

**Notes to the financial statements
for the year ended 31 March 2003**

7. Intangible fixed assets

	Goodwill £	Total £
Cost		
At 1 April 2002 and 31 March 2003	<u>120,000</u>	<u>120,000</u>
Provision for diminution in value		
At 1 April 2002	6,000	6,000
Charge for year	<u>6,000</u>	<u>6,000</u>
At 31 March 2003	<u>12,000</u>	<u>12,000</u>
Net book values		
At 31 March 2003	<u>108,000</u>	<u>108,000</u>
At 31 March 2002	<u>114,000</u>	<u>114,000</u>

8. Tangible fixed assets

	Fixtures, fittings and equipment £	Total £
Cost		
At 1 April 2002	<u>12,556</u>	<u>12,556</u>
At 31 March 2003	<u>12,556</u>	<u>12,556</u>
Depreciation		
At 1 April 2002	1,883	1,883
Charge for the year	<u>1,601</u>	<u>1,601</u>
At 31 March 2003	<u>3,484</u>	<u>3,484</u>
Net book values		
At 31 March 2003	<u>9,072</u>	<u>9,072</u>
At 31 March 2002	<u>10,673</u>	<u>10,673</u>

9. Debtors

	2003 £	2002 £
Prepayments and accrued income	<u>959</u>	<u>-</u>

Paul's Hair Salons Limited

**Notes to the financial statements
for the year ended 31 March 2003**

10. Creditors: amounts falling due within one year	2003 £	2002 £
Bank overdraft	17,239	30,605
Bank loan	14,922	7,254
Corporation tax	11,346	6,699
Other taxes and social security costs	18,001	16,243
Director's accounts	7,256	32,037
Accruals and deferred income	11,602	5,567
	<u>80,366</u>	<u>98,405</u>

11. Creditors: amounts falling due after more than one year	2003 £	2002 £
Bank loan	<u>22,103</u>	<u>9,530</u>

12 Provisions for liabilities and charges

	Deferred taxation (Note 13) £	Total £
At 1 April 2002	1,233	1,233
Movements in the year	(152)	(152)
At 31 March 2003	<u>1,081</u>	<u>1,081</u>

Paul's Hair Salons Limited

**Notes to the financial statements
for the year ended 31 March 2003**

13. Provision for deferred taxation

	2003	2002
	£	£
Accelerated capital allowances	1,081	1,233
Undiscounted provision for deferred tax	<u>1,081</u>	<u>1,233</u>
Provision at 1 April 2002	1,233	
Deferred tax charge in profit and loss account	(152)	
Provision at 31 March 2003	<u>1,081</u>	

14. Share capital

	2003	2002
	£	£
Authorised		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

15. Financial commitments

At 31 March 2003 the company had annual commitments under non-cancellable operating leases as follows:

	2003	2002
	£	£
Expiry date:		
Within one year	10,000	8,500
Between one and five years	16,202	16,202
In over five years	17,150	16,100
	<u>43,352</u>	<u>40,802</u>

16. Related party transactions

The company's bankers hold guarantees from the director for £25,000, £23,500 and £75,000 dated 9 April 2001, 20 April 2001 and 5 December 2002 respectively.

Paul's Hair Salons Limited

**Notes to the financial statements
for the year ended 31 March 2003**

17. Controlling interest

P Polyviou , the director, controls the company as a result of directly or indirectly controlling 100% of the issued ordinary share capital.