

Registration number 4108607

Paul's Hair Salons Limited
Director's report and financial statements
for the year ended 31 March 2004



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 Brook Point 1412-1420 High Road London N20 9BH

Paul's Hair Salons Limited

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Paul's Hair Salons Limited

**Director's report
for the year ended 31 March 2004**

The director presents his report and the financial statements for the year ended 31 March 2004.

Principal activity

The principal activity of the company was that of Hairdressers.

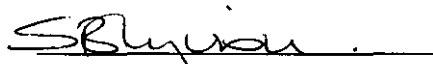
Director and his interest

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

	Ordinary shares	
	31/03/04	01/04/03
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 8 October 2004 and signed on its behalf by


S Polyviou
Secretary

Paul's Hair Salons Limited

**Profit and loss account
for the year ended 31 March 2004**

		2004	2003
	Notes	£	£
Turnover	2	439,867	403,165
Cost of sales		(28,531)	(25,593)
Gross profit		411,336	377,572
Administrative expenses		(386,064)	(338,720)
Other operating income		8,925	8,935
Operating profit	3	34,197	47,787
Interest payable and similar charges		(5,468)	(4,165)
Profit on ordinary activities before taxation		28,729	43,622
Tax on profit on ordinary activities	6	(5,866)	(9,366)
Profit on ordinary activities after taxation		22,863	34,256
Dividends		(31,000)	(35,000)
Loss for the year		(8,137)	(744)
Retained profit brought forward		22,780	23,524
Retained profit carried forward		14,643	22,780

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 2004**

		2004		2003	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	7		109,600		108,000
Tangible assets	8		15,469		9,072
			<u>125,069</u>		<u>117,072</u>
Current assets					
Stocks		5,034		4,235	
Debtors	9	1,893		959	
Cash at bank and in hand		3,536		5,064	
		<u>10,463</u>		<u>10,258</u>	
Creditors: amounts falling due within one year	10	<u>(77,087)</u>		<u>(80,366)</u>	
Net current liabilities			<u>(66,624)</u>		<u>(70,108)</u>
Total assets less current liabilities			58,445		46,964
Creditors: amounts falling due after more than one year	11		(41,482)		(22,103)
Provisions for liabilities and charges	12		<u>(1,320)</u>		<u>(1,081)</u>
Net assets			<u>15,643</u>		<u>23,780</u>
Capital and reserves					
Called up share capital	14		1,000		1,000
Profit and loss account			14,643		22,780
Shareholders' funds			<u>15,643</u>		<u>23,780</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 2004**

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 2004 and

(c) that I acknowledge my 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 8 October 2004 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 2004**

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

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

	2004	2003
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off intangible assets	6,400	6,000
Depreciation and other amounts written off tangible assets	2,648	1,601

Paul's Hair Salons Limited

**Notes to the financial statements
for the year ended 31 March 2004**

4. Director's emoluments

	2004	2003
	£	£
Remuneration and other benefits	<u>32,745</u>	<u>28,953</u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>1</u>	<u>1</u>

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 (2003 - £2,400).

6. Tax on profit on ordinary activities

Analysis of charge in period	2004	2003
	£	£
Current tax		
UK corporation tax	<u>5,627</u>	<u>9,518</u>
Total current tax charge	<u>5,627</u>	<u>9,518</u>
Deferred tax		
Timing differences, origination and reversal	<u>239</u>	<u>(152)</u>
Total deferred tax	<u>239</u>	<u>(152)</u>
Tax on profit on ordinary activities	<u>5,866</u>	<u>9,366</u>

Paul's Hair Salons Limited

**Notes to the financial statements
for the year ended 31 March 2004**

7. Intangible fixed assets

	Goodwill	Total
	£	£
Cost		
At 1 April 2003	120,000	120,000
Additions	8,000	8,000
At 31 March 2004	<u>128,000</u>	<u>128,000</u>
Provision for diminution in value		
At 1 April 2003	12,000	12,000
Charge for year	6,400	6,400
At 31 March 2004	<u>18,400</u>	<u>18,400</u>
Net book values		
At 31 March 2004	<u>109,600</u>	<u>109,600</u>
At 31 March 2003	<u>108,000</u>	<u>108,000</u>

8. Tangible fixed assets

	Short leasehold property	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1 April 2003	-	12,556	12,556
Additions	1,952	7,093	9,045
At 31 March 2004	<u>1,952</u>	<u>19,649</u>	<u>21,601</u>
Depreciation			
At 1 April 2003	-	3,484	3,484
Charge for the year	223	2,425	2,648
At 31 March 2004	<u>223</u>	<u>5,909</u>	<u>6,132</u>
Net book values			
At 31 March 2004	<u>1,729</u>	<u>13,740</u>	<u>15,469</u>
At 31 March 2003	<u>-</u>	<u>9,072</u>	<u>9,072</u>

Paul's Hair Salons Limited

**Notes to the financial statements
for the year ended 31 March 2004**

9. Debtors	2004	2003
	£	£
Prepayments and accrued income	<u>1,893</u>	<u>959</u>
10. Creditors: amounts falling due within one year	2004	2003
	£	£
Bank overdraft	23,018	17,239
Bank loan	17,412	14,922
Corporation tax	8,005	11,346
Other taxes and social security costs	17,648	18,001
Director's accounts	330	7,256
Accruals and deferred income	<u>10,674</u>	<u>11,602</u>
	<u>77,087</u>	<u>80,366</u>
11. Creditors: amounts falling due after more than one year	2004	2003
	£	£
Bank loan	<u>41,482</u>	<u>22,103</u>
The bank holds a first legal charge over a property owned by the director.		
12. Provisions for liabilities and charges	Deferred taxation (Note 13)	Total
	£	£
At 1 April 2003	1,081	1,081
Movements in the year	<u>239</u>	<u>239</u>
At 31 March 2004	<u>1,320</u>	<u>1,320</u>

Paul's Hair Salons Limited

**Notes to the financial statements
for the year ended 31 March 2004**

13. Provision for deferred taxation	2004	2003
	£	£
Accelerated capital allowances	<u>1,320</u>	<u>1,081</u>
Provision at 1 April 2003	1,081	
Deferred tax charge in profit and loss account	<u>239</u>	
Provision at 31 March 2004	<u><u>1,320</u></u>	

14. Share capital	2004	2003
	£	£
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 2004 the company had annual commitments under non-cancellable operating leases as follows:

	2004	2003
	£	£
Expiry date:		
Within one year	10,000	10,000
Between one and five years	16,202	16,202
In over five years	26,340	17,150
	<u>52,542</u>	<u>43,352</u>

Paul's Hair Salons Limited

**Notes to the financial statements
for the year ended 31 March 2004**

16. Transactions with director

The company occupies rent free a property owned by the director and the company's bankers have a first legal charge over the same property.

The company's bankers also 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.

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.