

HEADLINES (HAIR AND BEAUTY SUPPLIES) LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 1997



A05 *A6VL1B5U* 392

COMPANIES HOUSE 09/11/98

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HEADLINES (HAIR AND BEAUTY SUPPLIES) LIMITED

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**AUDITORS' REPORT TO HEADLINES (HAIR AND BEAUTY SUPPLIES) LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts set out on pages 2 to 4 together with the financial statements of Headlines (Hair and Beauty Supplies) Limited for the year ended 31 December 1997, prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 31 December 1997, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.

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 the company and of the profit or loss of the company for that year. In preparing these the directors are required to :

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements based 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.



**D.F. Powell & Co
Chartered Certified Accountants and
Registered Auditor**

**10c Church Lane
Leytonstone
London
E11 1HG**

30 October 1998


HEADLINES (HAIR AND BEAUTY SUPPLIES) LIMITED

ABBREVIATED BALANCE SHEET AS AT 31 DECEMBER 1997

	Notes	1997 £	1996 £
Fixed Assets			
Tangible assets	2	16,341	14,130
Current Assets			
Stocks		96,006	79,524
Debtors		51,397	54,647
Cash at bank and in hand		199,836	114,251
		<u>347,239</u>	<u>248,422</u>
Creditors: amounts falling due within one year		<u>(161,328)</u>	<u>(96,357)</u>
Net Current Assets		<u>185,911</u>	<u>152,065</u>
Total Assets Less Current Liabilities		<u>202,252</u>	<u>166,195</u>
Creditors: amounts falling due after more than one year		<u>(16,262)</u>	<u>(14,054)</u>
Net Assets		<u><u>185,990</u></u>	<u><u>152,141</u></u>
Capital and Reserves			
Called up share capital	3	100	100
Profit and loss account		185,890	152,041
Shareholders' Funds		<u><u>185,990</u></u>	<u><u>152,141</u></u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the Board on 30 October 1998 and signed on its behalf by


Mr David Stennett
Director

The notes on pages 3 to 4 form an integral part of these financial statements.

HEADLINES (HAIR AND BEAUTY SUPPLIES) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1997

1. Accounting Policies

1.1 Accounting convention

The accounts are prepared under the historical cost convention.

The company has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small company.

1.2 Turnover

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

1.3 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:

Furniture, Fixtures & Fittings - 10% Straight Line Method

Office equipment - 10% Straight Line Method

Motor vehicles - 20% Straight Line Method

1.4 Stock

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

1.5 Pensions

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

The regular cost of providing retirement pensions and related benefits is charged to the profit and loss account over the employees' service lives on the basis of a constant percentage of earnings.

1.6 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 directors consider that a liability to taxation is unlikely to materialise.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

HEADLINES (HAIR AND BEAUTY SUPPLIES) LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1997

..... continued

2. Fixed assets		Tangible fixed assets £
Cost		
At 1 January 1997		27,263
Additions		7,589
Disposals		(2,200)
At 31 December 1997		<u>32,652</u>
Depreciation		
At 1 January 1997		13,133
On disposals		(2,200)
Charge for year		5,378
At 31 December 1997		<u>16,311</u>
Net book values		
At 31 December 1997		<u>16,341</u>
At 31 December 1996		<u>14,130</u>
3. Share capital	1997	1996
	£	£
Authorised equity		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid equity		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

4. Related party transactions

The company sell on normal commercial terms, haircare products to Equilibrium Hair and Beauty Ltd, a company which Mr D.Stennett is a substantial shareholder and director.

The value of such sales during the year ended 31 December 1996 was £3,040 and the balance outstanding at 31 December 1997 was £556.

The company also paid the initial rent on the premises occupied by Equilibrium Hair and Beauty Ltd and the balance owed to the company at 31 December 1997 was £8,000.