

A.K. HAIR/BARKERS (CAMBRIDGE) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1996

(Company no:1727346)



REPORT OF THE AUDITORS TO THE DIRECTORS OF
A.K. HAIR/BARKERS (CAMBRIDGE) LIMITED
UNDER PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 14 to 16 together with the full statutory accounts of the Company. The scope of our work for the purpose of this report was limited to confirming the opinion as set out in the following paragraph.

In our opinion the Company is entitled to the exemptions as set out in the Directors statement on page 14 and the abbreviated accounts have been properly prepared in accordance with Part III of Schedule 8 to the Companies Act 1985.

On 31st October 1997 we reported, to the shareholders on the statutory accounts of the Company for the year ended 31st December 1996, prepared under Section 226 of the Companies Act 1985 as modified by the exemptions provided by Part I of Schedule 8. Our report under Section 235 of the Companies Act 1985 was as follows:

'We have audited the accounts on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the Company's Directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements by the Directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the Company's affairs at 31st December 1996 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.'

Silver Altman

SILVER ALTMAN

Chartered Accountants & Registered Auditors

8 Baltic Street East,
London, EC1Y 0UJ.

31st October 1997

A.K. HAIR/BARKERS (CAMBRIDGE) LIMITED

BALANCE SHEET
AS AT 31ST DECEMBER 1996

	<u>Notes</u>	£	<u>1996</u> £	£	<u>1995</u> £
<u>CAPITAL EMPLOYED</u>					
<u>FIXED ASSETS</u>					
Tangible assets	2		21,281		10,336
<u>CURRENT ASSETS</u>					
Stocks		85,215		72,300	
Debtors	3	81,159		76,475	
Cash at bank and in hand		17,831		10,068	
		<u>184,205</u>		<u>158,843</u>	
<u>CREDITORS</u> (amounts falling due within one year)	4	(152,529)		(119,495)	
<u>NET CURRENT ASSETS</u>			<u>31,676</u>		<u>39,348</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>			<u>52,957</u>		<u>49,684</u>
<u>CREDITORS</u> (amounts falling due after one year)			(10,892)		-
			<u>£ 42,065</u>		<u>£ 49,684</u>
<u>FINANCED BY:</u>					
<u>CAPITAL AND RESERVES</u>					
Called up share capital	5		1,000		1,000
Profit and loss account			41,065		48,684
			<u>£ 42,065</u>		<u>£ 49,684</u>

The Directors have taken advantage of the exemptions conferred by Part III of Schedule 8 to the Companies Act 1985 and have done so on the grounds that, in their opinion, the Company is entitled to those exemptions as a small company.

In the preparation of the Company's annual accounts, the Directors have taken advantage of special exemptions applicable to small companies and have done so on the grounds that, in their opinion, the Company is entitled to those exemptions as a small company.

Approved by the Board on 31st October 1997

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Mr. A. D. Kennard

A.K. HAIR/BARKERS (CAMBRIDGE) LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1996

1. ACCOUNTING POLICIES

1.1 Basis of accounting

The accounts have been prepared under the historical cost convention.

1.2 Depreciation of tangible fixed assets

The tangible fixed assets are stated at cost less depreciation. The general policy is to provide depreciation on fixed assets on a straight line basis over their estimated useful lives, beginning with a full year's depreciation in the financial year of acquisition and no depreciation in the year in which the assets are sold or scrapped.

Tangible fixed assets are depreciated as follows:-

Fixtures, fittings and equipment	5 years
Motor cars	6 years
Commercial vehicles	4 years

1.3 Stocks

Stocks are valued at the lower of cost and the estimated amount realisable from disposal in the normal course of business. Cost comprises expenditure directly incurred in purchasing the stocks and bringing them to their current condition and location.

1.4 Turnover

Turnover represents the amount receivable for sales and work done, excluding Value Added Tax.

1.5 Deferred taxation

Deferred taxation is not provided for as, in the opinion of the Directors, no liability will arise in the foreseeable future.

1.6 Hire purchase and leasing

Assets held under hire purchase and finance leases are included under fixed assets at the cost or fair value of the asset. The assets are depreciated over the term of the agreement or useful lives, if shorter. Charges on these agreements and rentals payable under operating leases are allocated to the profit and loss account on a straight line basis over the term of the agreement.

1.7 Pension costs

The Company operates a defined contribution pension scheme. Payments due for the year are charged to the profit and loss account.

A.K. HAIR/BARKERS (CAMBRIDGE) LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 1996

2. FIXED ASSETS

	<u>Intangible</u> £	<u>Tangible</u> £	<u>Investments</u> £
Cost:			
At 1st January 1996	-	82,912	-
Additions	-	17,854	-
	<hr/>	<hr/>	<hr/>
At 31st December 1996	-	100,766	-
	<hr/>	<hr/>	<hr/>
Depreciation:			
At 1st January 1996	-	72,576	-
Charge for year	-	6,909	-
	<hr/>	<hr/>	<hr/>
At 31st December 1996	-	79,485	-
	<hr/>	<hr/>	<hr/>
Net book values:			
At 31st December 1996	£ -	£ 21,281	£ -
	<hr/>	<hr/>	<hr/>
At 31st December 1995	£ -	£ 10,336	£ -
	<hr/>	<hr/>	<hr/>

3. DEBTORS

The loan to the Director Mr. A. D. Kennard, included in other debtors, commenced in December 1995 at £2,244 and has increased to £4,519 at 31st December 1996.

4. CREDITORS

The overdraft facility from Midland Bank Plc, not currently in use would be covered by existing security.

5. SHARE CAPITAL

	<u>1996</u> £	<u>1995</u> £
<u>Authorised</u>		
Ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
	£	£
<u>Issued and Fully Paid</u>		
Ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>