

HAIRDRESSING AND BEAUTY SUPPLIERS ASSOCIATION LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1997

Company Number 426369



Wilson Sandford & Co.
CHARTERED ACCOUNTANTS

85 Church Road, Hove, East Sussex. BN3 2BB
Telephone: Brighton (01273) 821441 Facsimile: Brighton (01273) 326724



HAIRDRESSING AND BEAUTY SUPPLIERS ASSOCIATION LIMITED

COMPANY INFORMATION

Directors:

R Appleby (Appointed 10.5.97)
P A Batten
P E Belcher
P D Choppen
J A Dallas
H Littler
P R Parkin
A V Price (Appointed 10.5.97)
J F Rainey
K W Sage (Appointed 10.5.97)
P A G Sliufko
P Vans Agnew
R Vickers
G V Willsmer

Secretary:

R J Coleman (Resigned 10.5.97)
D J Macklin (Appointed 10.5.97)

Registered Office:

25 West Street,
Haslemere, GU27 2AP.

Registered in England on:

24th December 1946

Company No:

426369

Bankers:

Midland Bank Plc.
19 High Street,
Haslemere, GU27 2HQ.

Auditors:

Wilson Sandford & Co.
Chartered Accountants
85 Church Road,
Hove, BN3 2BB.

HAIRDRESSING AND BEAUTY SUPPLIERS ASSOCIATION LIMITED

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FOR THE YEAR ENDED 31ST DECEMBER 1997**

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HAIRDRESSING AND BEAUTY SUPPLIERS ASSOCIATION LIMITED

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the Association will be held at _____ at _____ for the following purposes:-

1. To receive the Minutes of the previous Meeting, as circulated.
2. To receive the Report of the Directors, together with the Financial Statements of the Company, for the year ended 31st December 1997, as circulated.
3. To re-elect the Council Members and Directors.
4. To re-appoint the Auditors, Messrs. Wilson Sandford & Co., for the year to 31st December 1998, and to authorise the Council to fix the remuneration of the Auditors.
5. To transact any other business.

By Order of the Council

[Handwritten Signature]
.....
D Macklin
Secretary

Date: *23/1/98*
.....

HAIRDRESSING AND BEAUTY SUPPLIERS ASSOCIATION LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST DECEMBER 1997

The Directors present herewith their annual report, together with the financial statements of the company for the year ended 31st December 1997.

REVIEW OF THE BUSINESS

The company changed its name from Hairdressers Manufacturers and Wholesalers Association by a special resolution dated 10th May 1997. The principal activities of the Association during the year, which remained unchanged, were:

to organise, study, protect, promote and further the interests of the members of the Association and generally of the hairdressing business and allied ancillary businesses and trades.

The Directors anticipate a similar pattern of activity in the forthcoming year and consider the company's position to be satisfactory.

COUNCIL MEMBERS

The following persons served as Council members since 1st January 1997:

PRESIDENT

P.Vans Agnew Capital (Hair and Beauty) Limited

VICE-PRESIDENT

G.Willsmer Alberto-Culver Co. (U.K.) Limited

MANUFACTURERS' SECTION

R.Appleby	Bellitas Limited
P.A.Batten	Intercosmetics (Great Britain) Limited
P.E.Belcher	Schwarzkopf Limited
J.F.Rainey	Denroy Plastics Limited
K.Sage	Goldwell (Hair Cosmetics) Limited
R.Vickers	Rand Rocket Limited

WHOLESALERS' SECTION

P.Choppen	George Choppen and Sons Limited
H.Littler	Alan Howard (Stockport) Limited
C.Nagele	Bryher
P.Parkin	Ogee Limited
A.Price	Matrix Essentials Limited
P.A.G.Sliufko	Ray & Co.(Hairdressers Sundriesmen) Limited

(Continued on page 3)

HAIRDRESSING AND BEAUTY SUPPLIERS ASSOCIATION LIMITED

**REPORT OF THE COUNCIL (CONTINUED)
FOR THE YEAR ENDED 31ST DECEMBER 1997**

COUNCIL MEMBERS (CONTINUED)

EX-OFFICIO MEMBERS

K.W.F. Bond	Ken & Co. Limited
K.V. Cawkwell	Lamaur
J. Dallas	L'Oreal Coiffure
G. Hegarty	Salon Services (Hairdressing Supplies) Limited
D.J. Plummer	Redken Laboratories Limited
W.E. Rice	Lamaur
M.R. Woodgate	Martin Woodgate Associates Limited

DIRECTORS RESPONSIBILITIES

Company law requires us to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements the council members are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business;

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable us to ensure that the financial statements comply with the Companies Act 1985. We 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.

AUDITORS

The auditors, Wilson Sandford & Co., have indicated their willingness to accept re-appointment under Section 385 of the Companies Act 1985.

By Order of the Board



D MACKLIN
Secretary

Date: 27/5/98

**AUDITORS' REPORT TO THE MEMBERS OF
HAIRDRESSING AND BEAUTY SUPPLIERS ASSOCIATION LIMITED**

We have audited the financial statements on pages 5 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We have 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

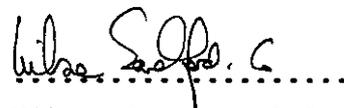
We have planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st December 1997 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

85 Church Road
Hove
BN3 2BB

Date 26.5.1998.


.....
Wilson Sandford & Co.
Registered Auditors
Chartered Accountants
UK 200 Group Member

HAIRDRESSING AND BEAUTY SUPPLIERS ASSOCIATION LIMITED

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1997

	<u>Notes</u>	Continuing operations 1997 £	Continuing operations 1996 £
TURNOVER		26,250	18,730
Net operating expenses		(34,917)	(19,868)
OPERATING (LOSS)	2	<u>(8,667)</u>	<u>(1,138)</u>
Income from shares in:			
Listed investments		1,181	1,088
Unlisted investments		1,935	838
Interest receivable		<u>305</u>	<u>539</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>3,421</u>	<u>2,465</u>
		(5,246)	1,327
Tax on ordinary activities	3	157	151
(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>(5,089)</u>	<u>1,478</u>
Dividends		-	-
RETAINED (LOSS)/PROFIT FOR THE YEAR		<u>£ (5,089)</u>	<u>£ 1,478</u>

There were no recognised gains or losses other than those recognised in the income and expenditure account.

The notes on pages 7 to 8 form part of these financial statements

HAIRDRESSING AND BEAUTY SUPPLIERS ASSOCIATION LIMITED

BALANCE SHEET

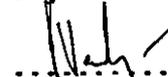
AS AT 31ST DECEMBER 1997

	<u>Notes</u>	£	<u>1997</u> £	£	<u>1996</u> £
FIXED ASSETS					
Investments	4		26,329		26,329
CURRENT ASSETS					
Stocks	5	1,800		500	
Debtors	6	7,243		7,852	
Cash at bank and in hand		6,645		11,928	
		<u>15,688</u>		<u>20,280</u>	
CREDITORS - amounts falling due within one year	7	(3,340)		(2,843)	
NET CURRENT ASSETS			<u>12,348</u>		<u>17,437</u>
TOTAL ASSETS			<u>£ 38,677</u>		<u>£ 43,766</u>
 Financed by:					
CAPITAL AND RESERVES					
Reserve fund	9		4,013		4,013
Profit and loss account			34,664		39,753
MEMBERS FUNDS			<u>£ 38,677</u>		<u>£ 43,766</u>

The financial statements have been 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.

These financial statements were approved by the Board on 21.5.1998....

Signed on behalf of the Board.



.....
P VANS AGNEW
Director

The notes on pages 7 to 8 form part of these financial statements.

HAIRDRESSING AND BEAUTY SUPPLIERS ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and have been consistently applied within the same accounts.

- 1.1** Basis of preparation of financial statements
The financial statements are prepared under the historical cost convention.
- 1.2** Subscriptions
Subscriptions are accounted for in the year to which they relate.
- 1.3** Stocks
Stock and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. OPERATING (LOSS)	<u>1997</u> £	<u>1996</u> £
This is stated after charging (crediting):		
Auditors' remuneration	975	-
	<u> </u>	<u> </u>
 3. TAXATION	 <u>1997</u> £	 <u>1996</u> £
U.K corporation tax at 24% & 21% (1996- 25% & 24%)	-	-
Corporation tax overprovision	(157)	(151)
	<u> </u>	<u> </u>
	£ (157)£	(151)
	<u> </u>	<u> </u>

4. FIXED ASSET INVESTMENTS

	<u>Listed</u> <u>in GB</u> £	<u>Unlisted</u> £	<u>Total</u> £
Cost:			
1st January 1997 and 31st December 1997	1,329	25,000	26,329
	<u> </u>	<u> </u>	<u> </u>
Market value:			
31st December 1997	£32,625	£ 25,636	£ 58,261
	<u> </u>	<u> </u>	<u> </u>
31st December 1996	£25,000	£ 24,111	£ 49,111
	<u> </u>	<u> </u>	<u> </u>

HAIRDRESSING AND BEAUTY SUPPLIERS ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS

- continued

5.	STOCKS	<u>1997</u> £	<u>1996</u> £
	The amounts attributable to the different categories are as follows:		
	Stationery	1,800	500

6.	DEBTORS	<u>1997</u> £	<u>1996</u> £
	Trade debtors	3,672	4,198
	Taxation recoverable	2,821	3,654
	Prepayments	750	-
		<u>£ 7,243</u>	<u>£ 7,852</u>

7.	CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	<u>1997</u> £	<u>1996</u> £
	Trade creditors	1,800	2,346
	Other taxes and social security costs	563	-
	Accruals	977	497
		<u>£ 3,340</u>	<u>£ 2,843</u>

8. SHARE CAPITAL

The Association is a company limited by guarantee and does not have an issued share capital.

9. RESERVE FUND

The capital reserve represents an amount set aside out of surpluses in prior years as a provision against extraordinary costs, in accordance with Article 62 of the Company's Articles of Association.

10. TRANSACTIONS WITH DIRECTORS

During the year the company paid £14,087 to Marketing Disciplines Limited, a company which has D. Macklin as a director, for consultancy services, secretarial fees and expenses.

The company also paid £3,649 in respect of secretarial fees and expenses to R. Coleman who served as Secretary for part of the year.