

Company Registration No. SC220064 (Scotland)

REGISTRAR'S  
COPY

ESSENSUALS (GLASGOW) LIMITED

DIRECTORS' REPORT  
AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2008

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# ESSENSUALS (GLASGOW) LIMITED

## COMPANY INFORMATION

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Directors	J Bell G T Mascolo
Secretary	WJM Secretaries Limited
Company number	SC220064
Registered office	130 St Vincent St Glasgow Lanarkshire G2 5HF
Accountants	HW Berkeley House Amery Street Alton Hampshire GU34 1TH

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# ESSENSUALS (GLASGOW) LIMITED

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# ESSENSUALS (GLASGOW) LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 30 JUNE 2008**

The directors present their report and financial statements for the year ended 30 June 2008.

### Principal activities

The principal activity of the company continued to be that of the provision of hairdressing services.

### Directors

The following directors have held office since 1 July 2007:

J Bell

G T Mascolo

### Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £1 each	
	30 June 2008	1 July 2007
J Bell	1	1
G T Mascolo	-	-

### Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

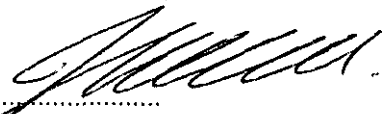
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board

  
.....  
J Bell

Director

Dated: 7/2/09

# **ESSENSUALS (GLASGOW) LIMITED**

## **ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF ESSENSUALS (GLASGOW) LIMITED**

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In accordance with the engagement letter dated 24 January 2008, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of Essensuals (Glasgow) Limited for the year ended 30 June 2008, set out on pages 3 to 12 from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Board of Directors as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 30 June 2008 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.



**HW**

**Chartered Accountants**

13 March 2009

Berkeley House  
Alton  
Hampshire  
GU34 1TH

# ESSENSUALS (GLASGOW) LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2008

		2008	2007
	Notes	£	as restated £
Turnover		266,411	333,772
Cost of sales		(147,691)	(206,359)
Gross profit		118,720	127,413
Administrative expenses		(113,376)	(124,315)
Other operating income		42,513	25,663
Operating profit	2	47,857	28,761
Other interest receivable and similar income	3	114	387
Interest payable and similar charges		(1,690)	(2,423)
Profit on ordinary activities before taxation		46,281	26,725
Tax on profit on ordinary activities	4	(23)	(197)
Profit for the year	10	46,258	26,528

# ESSENSUALS (GLASGOW) LIMITED

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

**FOR THE YEAR ENDED 30 JUNE 2008**

		2008	2007
	Notes	£	as restated £
Profit for the financial year		46,258	26,528
Prior year adjustment	10	25,513	-
Total gains and losses recognised since last financial statements		<u>71,771</u>	<u>26,528</u>

# ESSENSUALS (GLASGOW) LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2008

		2008		2007 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		51,056		68,099
<b>Current assets</b>					
Stocks		4,100		4,100	
Debtors	6	57,766		45,164	
Cash at bank and in hand		3,514		9,920	
		<u>65,380</u>		<u>59,184</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(149,916)</u>		<u>(185,025)</u>	
<b>Net current liabilities</b>			<u>(84,536)</u>		<u>(125,841)</u>
<b>Total assets less current liabilities</b>			<u>(33,480)</u>		<u>(57,742)</u>
<b>Creditors: amounts falling due after more than one year</b>	8		<u>(14,395)</u>		<u>(36,391)</u>
			<u>(47,875)</u>		<u>(94,133)</u>
<b>Capital and reserves</b>					
Called up share capital	9		1		1
Profit and loss account	10		<u>(47,876)</u>		<u>(94,134)</u>
<b>Shareholders' funds</b>			<u>(47,875)</u>		<u>(94,133)</u>



# ESSENSUALS (GLASGOW) LIMITED

## BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2008

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
  - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
  - (ii) preparing accounts 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 financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Approved by the Board for issue on ..... 7/2/08

  
.....  
J Bell  
Director

# ESSENSUALS (GLASGOW) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

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### 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 January 2007).

The company meets its day to day working capital requirements through an overdraft facility and short term loans, the overdraft facility is repayable on demand. The directors consider that it is appropriate to prepare the financial statements on a going concern basis as they expect the company to be able to continue to trade within the facilities made available.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold improvements	10% straight line per annum
Fixtures, fittings & equipment	20% straight line per annum

#### 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 and based on the directors' estimate.

#### 1.7 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

# ESSENSUALS (GLASGOW) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2008

2	Operating profit	2008 £	2007 £
	Operating profit is stated after charging:		
	Depreciation of tangible assets	17,043	17,045
	Operating lease rentals		
	- Plant and machinery	3,826	4,147
	- Other assets	42,500	38,252
	Directors' emoluments	-	8,864

Included in sundry income is £20,000 which relates to the release of a related company loan as detailed in note 13.

3	Investment income	2008 £	2007 £
	Bank interest	114	387
		<u>114</u>	<u>387</u>

4	Taxation	2008 £	2007 £
	<b>Domestic current year tax</b>		
	U.K. corporation tax	23	-
	Adjustment for prior years	-	197
	<b>Current tax charge</b>	<u>23</u>	<u>197</u>

The company has estimated losses of £ 3,064 (2007 - £ 51,969) available for carry forward against future trading profits.

There is an unrecognised deferred tax asset of £3,565 (2007 : £11,139).

# ESSENSUALS (GLASGOW) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2008

### 5 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 July 2007 & at 30 June 2008	168,961	23,242	192,203
<b>Depreciation</b>			
At 1 July 2007	101,009	23,095	124,104
Charge for the year	16,896	147	17,043
At 30 June 2008	117,905	23,242	141,147
<b>Net book value</b>			
At 30 June 2008	51,056	-	51,056
At 30 June 2007	67,952	147	68,099

### 6 Debtors

	2008 £	2007 £
Trade debtors	8,813	590
Other debtors	48,953	44,574
	57,766	45,164

Debtors include an amount of £30,000 (2007 - £30,000) which is due after more than one year.

# ESSENSUALS (GLASGOW) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2008

7 Creditors: amounts falling due within one year	2008 £	2007 £
Bank loans and overdrafts	11,950	11,273
Trade creditors	52,097	60,018
Taxation and social security	12,572	12,146
Other creditors	73,297	101,588
	<u>149,916</u>	<u>185,025</u>

Bank loans are secured as detailed in note 8.

Included in other creditors is a loan from J Bell, a director and shareholder of £10,774 (2007 : £11,024). There are also loans from former directors of £13,730 (2007 : £13,730).

8 Creditors: amounts falling due after more than one year	2008 £	2007 £
Bank loans	883	12,366
Other creditors	13,512	24,025
	<u>14,395</u>	<u>36,391</u>

### Analysis of loans

Wholly repayable within five years	38,508	72,504
Included in current liabilities	(24,113)	(36,113)
	<u>14,395</u>	<u>36,391</u>

Bank loans and overdrafts are secured by a standard debenture over the assets of the company and a director's limited personal guarantee.

9 Share capital	2008 £	2007 £
<b>Authorised</b>		
60,000 Ordinary shares of £1 each	<u>60,000</u>	<u>60,000</u>
<b>Allotted, called up and fully paid</b>		
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

# ESSENSUALS (GLASGOW) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2008

### 10 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2007 as previously reported	(119,647)
Prior year adjustment	25,513
Balance at 1 July 2007 as restated	(94,134)
Profit for the year	46,258
Balance at 30 June 2008	(47,876)

The prior year adjustment has been made to reflect the release of £25,513 of a former loan. Since preparing the 30 June 2007 financial statements additional information has been made available.

### 11 Financial commitments

At 30 June 2008 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 June 2009:

	2008 £	2007 £
Operating leases which expire:		
Between two and five years	42,500	42,500

### 12 Control

The ultimate controlling party is considered to be J Bell, director and shareholder.

# **ESSENSUALS (GLASGOW) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2008**

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### **13 Related party transactions**

Mascolo Limited, Essensuals Group Limited and Mascolo Group Limited (formerly Innovia Design Limited) are related companies due to G T Mascolo being a common director.

Included within administrative expenses and cost of sales is £49,277 (2007 : £41,472) and £18,949 (2007 : £24,621) respectively, invoiced by Essensuals Group Limited. At the year end the balance owed to Essensuals Group Limited was £25,631 (2007 : £39,557). Included within other creditors is a loan of £20,000 (2007 : £40,000) from Essensuals Group Limited.

Purchases from Mascolo Group Limited for the year amounted to £7,526 (2007 : £13,878). At the year end the balance owed to Mascolo Group Limited was £196 (2007 : £983).

During the year, Essensuals (Glasgow) Limited also entered into transactions with Toni & Guy (Glasgow St Vincent Street) Limited, a related company by virtue of common directorship. Sales of £nil (2007 : £6,217) and purchases of £5,297 (2007 : £4,002). At the year end the net balance due to Toni & Guy (Glasgow St Vincent Street) Limited was £9,673 (2007 : £3,257).

Included in other creditors is a loan due to Essensuals Group Limited of £20,000 (2007 : £40,000), during the year £20,000 was released by Essensuals Group Limited, see note 2.