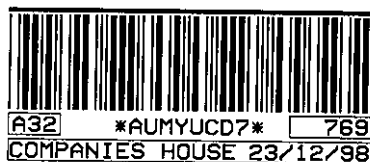


**ADEL (HUDDERSFIELD) LIMITED****ABBREVIATED ACCOUNTS****YEAR ENDED 30TH JUNE 1998**

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**REPORT OF THE AUDITORS TO****ADEL (HUDDERSFIELD) LIMITED****Under section 247B of the Companies Act 1985**

We have examined the abbreviated accounts on pages 2 to 6 together with the accounts of Adel (Huddersfield) Limited prepared under section 226 of the Companies Act 1985 for the year ended 30th June 1998.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 246A 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 accounts 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 does not include examining or dealing with events after the date of our report on the full accounts.

**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 and the abbreviated accounts on pages 2 to 6 have been properly prepared in accordance with those provisions.

  
HOPKINS BODEN

Chartered Accountants  
and  
Registered Auditors

342 Glossop Road  
SHEFFIELD  
S10 2HW

1st September 1998

**ADEL (HUDDERSFIELD) LIMITED**  
**BALANCE SHEET AS AT 30TH JUNE 1998**

		1998	1997
	Notes	£	£
TANGIBLE FIXED ASSETS	2	<u>12,417</u>	<u>20,034</u>
CURRENT ASSETS			
Stock		188,623	166,284
Debtors		31,557	31,301
Cash at bank and in hand		<u>25,840</u>	<u>25,605</u>
		246,020	223,190
Creditors: Amounts falling due within one year		<u>(129,874)</u>	<u>(119,817)</u>
Net Current Assets		<u>116,146</u>	<u>103,373</u>
Total assets less current liabilities		128,563	123,407
Creditors: Amounts falling due after more than one year	3	<u>(6,000)</u>	<u>(6,972)</u>
		<u>£122,563</u>	<u>£116,435</u>
CAPITAL AND RESERVES			
Called up share capital	4	90	90
Profit and loss account		<u>122,473</u>	<u>116,345</u>
		<u>£122,563</u>	<u>£116,435</u>

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

The accounts were approved by the Board of Directors on 1st September 1998 and were signed on its behalf by:

K C ELKINGTON - Director



**ADEL (HUDDERSFIELD) LIMITED****NOTES TO THE ACCOUNTS - 30TH JUNE 1998****1. ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts.

**(a) Basis of accounting**

These accounts have been prepared under the historical cost accounting convention.

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

**(b) Turnover**

Turnover is the total amount receivable by the company in the ordinary course of business from outside customers for goods and services provided, excluding Value Added Tax.

**(c) Depreciation**

Depreciation is provided at the following annual rates in order to write off tangible fixed assets over their estimated useful lives:-

Fixtures and fittings	- 20% reducing balance
Motor vehicles	- 20% straight line

**(d) Stock**

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

**(e) Leases**

Where the company has substantially all the risks and rewards of ownership of an asset which is subject to a lease, then the lease is treated as a finance lease. Other leases are treated as operating leases.

Future instalments payable under finance leases, net of finance charges, are included in creditors with the corresponding asset values treated as fixed tangible assets. Payments are apportioned between the finance element, which is charged to the profit and loss account as interest, and the capital element, which reduces the outstanding obligation for future instalments.

**(f) Pensions**

Retirement benefits are funded by contributions by the company. The pension scheme is financially separate from the company.

## ADEL (HUDDERSFIELD) LIMITED

## NOTES TO THE ACCOUNTS - 30TH JUNE 1998 (continued)

## 2. TANGIBLE FIXED ASSETS

	Total
<b>COST</b>	£
At beginning of year	78,174
Additions	1,525
Disposals	(19,450)
At end of year	<u>60,249</u>
<b>DEPRECIATION</b>	
At beginning of year	58,140
Charge for the year	6,370
On disposals	(16,678)
At end of year	<u>47,832</u>
<b>Net Book Value</b>	
At 30th June 1998	<u>£12,417</u>
<b>Net Book Value</b>	
At 30th June 1997	<u>£20,034</u>

3. CREDITORS - Amounts falling due  
after more than one year

	1998	1997
	£	£
Directors' loans	6,000	6,000
Finance lease liabilities	-	972
	<u>£6,000</u>	<u>£6,972</u>

## 4. CALLED UP SHARE CAPITAL

	1998	1997
	£	£
Authorised:		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid:		
Ordinary shares of £1 each	<u>90</u>	<u>90</u>

**ADEL (HUDDERSFIELD) LIMITED****NOTES TO THE ACCOUNTS - 30TH JUNE 1998 (continued)****5. RELATED PARTY TRANSACTIONS  
- TRANSACTIONS INVOLVING DIRECTORS**

The company purchases the majority of its stock from Adel Salon Services at the cost price paid by Adel Salon Services. Adel Salon Services is a partnership run as a bulk purchasing organisation by Mr K C Elkington and Mr J S Adkin who are substantial shareholders and directors of the company.

Adel Salon Services submits management services invoices to the company for the administration of the bulk buying of stock and other ancillary services such as payroll administration.

The company also purchases items of stock from the following companies in which Mr K C Elkington and Mr J S Adkin are substantial shareholders and directors:

Adel (Doncaster) Limited  
Adel (Hull) Limited

Stock is also purchased on a small scale from Adel Leeds which is a partnership run by Mr K C Elkington and Mr Adkin.

## ADEL (HUDDERSFIELD) LIMITED

## NOTES TO THE ACCOUNTS - 30TH JUNE 1998 (continued)

**6. RELATED PARTY TRANSACTIONS**  
**- TRANSACTIONS INVOLVING DIRECTORS (continued)**

During the year amounts invoiced, excluding VAT, to the company by partnerships and companies associated with Adel (Huddersfield) Limited were as follows:

	£
Adel Salon Services	756,405
Adel Leeds	1,481
Adel (Doncaster) Limited	17,717
Adel (Hull) Limited	180
	<u>£775,783</u>

Amounts included in trade creditors at the end of the financial year were as follows:

	£
Adel Salon Services	19,185
Adel Leeds	554
Adel (Doncaster) Limited	813
	<u>£20,552</u>

Amounts included in trade debtors at the end of the financial year were as follows:

	£
Adel Salon Services	1,530
Adel Leeds	334
	<u>£1,864</u>

On 19th June 1998 the company car was transferred to Mr R Smith at its open market value of £9,300 generating a profit on disposal for the company of £6,792. The sum of £9,300 is included in the remuneration of Mr Smith as a benefit in kind.