

COMPANY NUMBER:
3535425 (ENGLAND & WALES)

SHASHI LTD
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2004



SOKHI & ASSOCIATES LTD
CHARTERED CERTIFIED ACCOUNTANTS
86B ALBERT ROAD
ILFORD
ESSEX
IG1 1HR

SHASHI LTD

COMPANY INFORMATION

COMPANY NUMBER: 3535425 (England & Wales)

DIRECTOR: Ms H Sira - Patti

SECRETARY: Mr H Patel

REGISTERED OFFICE: 213 High Road
Ilford
Essex
IG1 1LX

ACCOUNTANTS: Sokhi & Associates Ltd
Chartered Certified Accountants
86B Albert Road
Ilford
Essex
IG1 1HR

SHASHI LTD
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2004

CONTENTS

	Page
Directors' Report	1
Accountants Report	2
Profit & Loss Account	3
Balance Sheet	4
Notes	5
Detailed Profit and loss account	9
Detailed overhead expenses for directors	10

SHASHI LTD

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31ST AUGUST 2004

The director presents her report and the financial statements for the year ended 31st August 2004.

PRINCIPAL ACTIVITIES

The principal activity of the company continues to be that of hairdressers and related activities.

DIRECTOR'S INTERESTS

The director of the company during the year and her interests in the share capital of the company as recorded in the register of director's interests was as follows:

	2004	2003
	No.	of shares
Ms H Sira - Patti	100	100

RESPONSIBILITIES OF THE DIRECTOR

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

select suitable accounting policies and then apply them consistently;

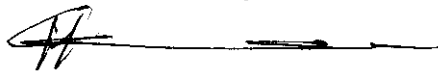
make judgements and estimates that are reasonable and prudent;

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. She is 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 was approved by the board on 1st June 2005 and 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

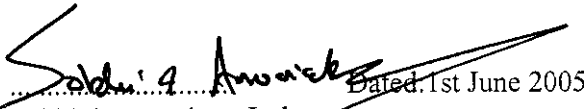


.....
Ms H Sira - Patti

ACCOUNTANTS' REPORT

TO THE DIRECTOR OF SHASHI LTD

As described in the balance sheet you are responsible for the preparation of the financial statements for the year ended 31st August 2004 set out on pages 3 to 8 and you consider that the company is exempt from an audit and a report under section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.


.....
Sokhi & Associates Ltd
Chartered Certified Accountants
86B Albert Road
Ilford
Essex
IG1 1HR

Dated 1st June 2005

SHASHI LTD

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST AUGUST 2004

	Note	2004 £	2003 £
TURNOVER	2	658,053	579,265
Cost of sales	3	(144,880)	(133,197)
GROSS PROFIT		513,173	446,068
Administrative expenses		(354,544)	(314,433)
Other operating income		158,629 4,453	131,635 499
OPERATING PROFIT	4	163,082	132,134
Interest payable		(1,371)	(1,782)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		161,711	130,352
Tax on profit on ordinary activities	5	(31,525)	(24,987)
PROFIT FOR THE FINANCIAL YEAR		130,186	105,365
Dividends		(50,000)	(24,000)
RETAINED PROFIT FOR THE YEAR		80,186	81,365

The annexed notes form part of these financial statements.

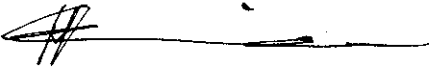
SHASHI LTD

BALANCE SHEET AS AT 31ST AUGUST 2004

	Note	2004		2003	
		£	£	£	£
FIXED ASSETS					
Intangible assets	6		1		3,100
Tangible assets	7		64,595		70,601
			<hr/>		<hr/>
			64,596		73,701
CURRENT ASSETS					
Stocks		9,015		8,753	
Debtors	8	8,800		119,000	
Cash at bank and in hand		265,646		123,387	
		<hr/>		<hr/>	
		283,461		251,140	
CREDITORS					
Amounts due within one year	9	(88,009)		(144,979)	
		<hr/>		<hr/>	
NET CURRENT ASSETS			195,452		106,161
			<hr/>		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES			260,048		179,862
			<hr/>		<hr/>
NET ASSETS			260,048		179,862
			<hr/> <hr/>		<hr/> <hr/>
CAPITAL AND RESERVES					
Called up share capital	10		100		100
Profit and loss account	11		259,948		179,762
			<hr/>		<hr/>
SHAREHOLDERS' FUNDS			260,048		179,862
			<hr/> <hr/>		<hr/> <hr/>

In the opinion of the director the company is entitled to claim exemptions from audit by virtue of subsection (1) of Section 249A of the Companies Act 1985. Members have not required the company, under s.249B(2) of the Companies Act 1985, to obtain an audit for the year ended 31st August 2004. The director is responsible for ensuring that the company maintains accounting records in compliance with Section 221 of that Act and for preparing accounts which give a true and fair view of the affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with Section 226, and which comply with the other requirements of the Act relating to the accounts so far as applicable to the company.

Approved by the board of directors on 1st June 2005 and signed on its behalf. 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 in accordance with the Financial Reporting Standard for Smaller Entities (Effective June 2002).


.....
Ms H Sira - Patti

The annexed notes form part of these financial statements.

SHASHI LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST AUGUST 2004

1. ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (Effective June 2002).

CASHFLOW STATEMENT

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

TURNOVER

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

DEPRECIATION AND DIMINUTION IN VALUE OF ASSETS

Tangible fixed assets are stated at cost less depreciation

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	15% reducing balance basis
-----------------------	----------------------------

STOCKS

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

LEASING

Rentals paid under operating leases are charged to the profit & loss account on straight line basis over the term of the lease.

GOODWILL

Franchise fees is written off in equal annual instalments over five years.

2. TURNOVER

Turnover is attributable solely to continuing operations and derives from one activity that of hairdressers.

The turnover and profit before taxation is attributable to the principal activity of the company, and is earned entirely within the United Kingdom.

SHASHI LTD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31ST AUGUST 2004

3. OPERATING PROFIT

	2004	2003
	£	£
This is stated after charging:		
Depreciation of owned assets	10,320	11,250
Depreciation of Franchise fees	3,099	3,100
Hire of other assets - operating leases	3,299	3,973
	<u> </u>	<u> </u>
Directors' emoluments	12,510	9,346
	<u> </u>	<u> </u>

5. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	2004	2003
	£	£
CURRENT TAX:		
UK corporation tax on profits of the period	31,525	24,987
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	31,525	24,987
	<u> </u>	<u> </u>

SHASHI LTD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31ST AUGUST 2004

6. INTANGIBLE FIXED ASSETS

	Goodwill £
Cost:	
At 1st September 2003	15,500
	<hr/>
At 31st August 2004	15,500
	<hr/>
Amortisation:	
At 1st September 2003	12,400
Charge for the year	3,099
	<hr/>
At 31st August 2004	15,499
	<hr/>
Net book value:	
At 31st August 2004	1
	<hr/>
At 31st August 2003	3,100
	<hr/>

7. TANGIBLE FIXED ASSETS

	Fixtures and Fittings £
COST:	
At 1st September 2003	129,284
Additions	4,314
	<hr/>
At 31st August 2004	133,598
	<hr/>
Depreciation:	
At 1st September 2003	58,683
Charge for the year	10,320
	<hr/>
At 31st August 2004	69,003
	<hr/>
Net book value:	
At 31st August 2004	64,595
	<hr/>
At 31st August 2003	70,601
	<hr/>

SHASHI LTD

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31ST AUGUST 2004

8. DEBTORS

	2004 £	2003 £
Due within one year:		
Other debtors	8,800	119,000
	<u>8,800</u>	<u>119,000</u>

9. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £	2003 £
Bank loans	1,443	23,763
Taxation and social security	57,335	44,376
Director's current account	18,484	68,836
Other creditors	10,747	8,004
	<u>88,009</u>	<u>144,979</u>

10. SHARE CAPITAL

	2004 £	2003 £
AUTHORISED		
Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
ALLOTTED, CALLED UP AND FULLY PAID		
Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

11. PROFIT AND LOSS ACCOUNT

	2004 £
Balance at 1st September 2003	179,762
Profit retained for the year	80,186
	<u>259,948</u>
Balance at 31st August 2004	<u>259,948</u>