

Registered number: 4930401

Natural Distribution (Holdings) Limited

NS 2007

Director's report and financial statements

for the year ended 31 December 2007

Natural Distribution (Holdings) Limited


Company information

Director V Hassett

Secretary M Estienne

Company number 4930401

Registered office Unit E, Foster Road, Ashford Business Park,
Sevington
Ashford
Kent
TN24 0SH

 **Auditors** Reeves + Neylan LLP
Chartered Accountants & Registered Auditors
37 St Margaret's Street
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Natural Distribution (Holdings) Limited

Contents

	Page
Director's report	1
Independent auditors' report	2 - 3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 - 11

Natural Distribution (Holdings) Limited

Director's report for the year ended 31 December 2007

The director presents her report and the financial statements for the year ended 31 December 2007.

Statement of director's responsibilities

The director is responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 that disclose with reasonable accuracy at any time the financial position of the company and enable her 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.

Principal activities

The principal activity of the Company during the year was that of property rental and the provision of management services to group companies.

Director

The director who served during the year was:

V Hassett

Provision of information to auditors

The director at the time when this Director's report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing her report and to establish that the company's auditors are aware of that information.

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

This report was approved by the board on 24 June 2008 and signed on its behalf.

M Estienne
Secretary

Natural Distribution (Holdings) Limited

Independent auditors' report to the shareholders of Natural Distribution (Holdings) Limited

We have audited the financial statements of Natural Distribution (Holdings) Limited for the year ended 31 December 2007, set out on pages 4 to 11. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditors

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of director's responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Director's report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the Director's report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments made by the director 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 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.

Natural Distribution (Holdings) Limited

Independent auditors' report to the shareholders of Natural Distribution (Holdings) Limited

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Director's report is consistent with the financial statements.

Reeves + Neylan LLP

Chartered Accountants
Registered Auditors

Canterbury

24 June 2008

Natural Distribution (Holdings) Limited

Profit and loss account for the year ended 31 December 2007

	Note	2007 £	2006 £
Turnover	1	150,000	150,000
Administrative expenses		(175,875)	(155,694)
Other operating income	2	204,000	156,000
		<hr/>	<hr/>
Operating profit	3	178,125	150,306
Interest payable	4	(65,655)	(64,083)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		112,470	86,223
Tax on profit on ordinary activities	5	(10,683)	(7,284)
		<hr/>	<hr/>
Profit on ordinary activities after taxation	12	101,787	78,939
		<hr/>	<hr/>

The notes on pages 6 to 11 form part of these financial statements.

Natural Distribution (Holdings) Limited

Balance sheet as at 31 December 2007

	Note	£	2007 £	£	2006 £
Fixed assets					
Tangible fixed assets	6		1,155,343		1,155,343
Fixed asset investments	7		3,371		3,371
			<u>1,158,714</u>		<u>1,158,714</u>
Current assets					
Debtors	8	113,480		149,857	
Cash at bank		-		134	
		<u>113,480</u>		<u>149,991</u>	
Creditors: amounts falling due within one year	9	(158,567)		(148,223)	
Net current (liabilities)/assets			<u>(45,087)</u>		<u>1,768</u>
Total assets less current liabilities			<u>1,113,627</u>		<u>1,160,482</u>
Creditors: amounts falling due after more than one year	10		<u>(784,537)</u>		<u>(834,179)</u>
Net assets			<u><u>329,090</u></u>		<u><u>326,303</u></u>
Capital and Reserves					
Called up share capital	11		10,000		10,000
Profit and loss account	12		319,090		316,303
Shareholders' funds			<u><u>329,090</u></u>		<u><u>326,303</u></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 (effective January 2007).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 June 2008.

V Hassett
Director

The notes on pages 6 to 11 form part of these financial statements.

Natural Distribution (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2007

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The company is exempt from the requirement to prepare group accounts by virtue of section 248 of the Companies Act 1985. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Turnover

Turnover represents revenue due from the normal activities of the business to the extent that the company obtains a right to consideration in exchange for its performance of those activities, exclusive of VAT.

1.3 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 of fixed assets, less their estimated residual value, over their expected useful lives.

No depreciation is provided on Freehold Property because in the opinion of the director any depreciation would be immaterial due to the high residual value of the property. An annual impairment review is undertaken to ensure that no impairment is required.

1.4 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2. Other operating income

	2007 £	2006 £
Management charges received	204,000	156,000

3. Operating profit

The operating profit is stated after charging:

	2007 £	2006 £
Auditors' remuneration	2,800	2,700
Director's emoluments	7,200	7,200

Natural Distribution (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2007

4. Interest payable

	2007 £	2006 £
On bank loans and overdrafts	1,164	213
Bank mortgage interest	64,491	63,870
	<u>65,655</u>	<u>64,083</u>

5. Taxation

	2007 £	2006 £
UK corporation tax charge on profit for the year	10,683	7,284

There were no factors that may affect future tax charges.

6. Tangible fixed assets

	Freehold Property £
Cost	
At 1 January 2007 and 31 December 2007	1,155,343
Depreciation	
At 1 January 2007 and 31 December 2007	-
Net book value	
At 31 December 2007	1,155,343
At 31 December 2006	1,155,343

7. Fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2007 and 31 December 2007	3,371

Natural Distribution (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2007

7. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Sante Verte Limited
Wisdom of Nature Limited

The aggregate of the share capital and reserves as at 31 December 2007 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Sante Verte Limited	212,775	164,247
Wisdom of Nature Limited	81,980	72,464
	<u>294,755</u>	<u>236,711</u>

The company owns 100% of the issued share capital of both of these subsidiaries. The principal activity of both subsidiaries is the supply of health and beauty products.

8. Debtors

	2007 £	2006 £
Other debtors	2,193	1,267
Amounts owed by group undertakings	111,287	148,590
	<u>113,480</u>	<u>149,857</u>

Included in debtors are amounts due to group undertakings, £NIL (2006: £100,042) relating to amounts due after more than one year.

9. Creditors: Amounts falling due within one year

	2007 £	2006 £
Bank loans and overdrafts	86,395	59,353
Corporation tax	10,683	7,284
Social security and other taxes	3,328	18,491
Other creditors	58,161	63,095
	<u>158,567</u>	<u>148,223</u>

The bank loans and overdrafts are secured, see note 10.

Natural Distribution (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2007

10. Creditors: Amounts falling due after more than one year

	2007 £	2006 £
Bank loans	784,537	834,179

Creditors include amounts not wholly repayable within 5 years as follows:

	2007 £	2006 £
Repayable by instalments	490,357	569,729

The bank loans and overdrafts are secured by a mortgage debenture together with a fixed and floating charge over all the assets of the company.

There is also a cross guarantee between Natural Distribution (Holdings) Limited and its subsidiary undertaking Sante Verte Limited, together with a limited personal guarantee of £220,000 provided by Mrs M Estienne and Mrs V Hassett.

The bank loans are due in more than 5 years and are repayable by monthly instalments, bearing interest at normal market rates.

11. Share capital

	2007 £	2006 £
Authorised		
20,000 'A' Ordinary shares of £1 each	20,000	20,000
20,000 'B' Ordinary shares of £1 each	20,000	20,000
20,000 'C' Ordinary shares of £1 each	20,000	20,000
20,000 'D' Ordinary shares of £1 each	20,000	20,000
20,000 'E' Ordinary shares of £1 each	20,000	20,000
	100,000	100,000
Allotted, called up and fully paid		
9,900 'A' Ordinary shares of £1 each	9,900	9,900
26 'B' Ordinary shares of £1 each	26	26
27 'C' Ordinary shares of £1 each	27	27
27 'D' Ordinary shares of £1 each	27	27
20 'E' Ordinary shares of £1 each	20	20
	10,000	10,000

The Company's "D" Ordinary Shares of £1 each and "E" Ordinary Shares of £1 each are non-voting shares but otherwise all categories of shares have the same rights and rank pari passu.

Natural Distribution (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2007

12. Reserves

	Profit and loss account £
At 1 January 2007	316,303
Profit for the year	101,787
Dividends: Equity capital	(99,000)
	<hr/>
At 31 December 2007	319,090
	<hr/>

13. Dividends

	2007 £	2006 £
Dividends paid on equity capital	99,000	96,000
	<hr/>	<hr/>

Since the year end dividends have been paid totalling £45,000.

14. Transactions with directors

The company operates a current account with Mrs V Hassett, the director. The balance owed to Mrs V Hassett as at 31 December 2007 was £7,912 (2006 : £13,112). The maximum balance outstanding during the year was £13,112. The current account is interest free and has no set repayment terms.

15. Related party transactions

During the year to 31 December 2007, the company supplied services to Sante Verte Limited, a 100% subsidiary of the company, totalling £354,000 (2006 : £306,000).

The balance outstanding at 31 December 2007 due from Sante Verte Limited amounted to £92,071 (2006 : £100,042).

On 31 December 2006, the company acquired 100% of the issued share capital in Wisdom of Nature Limited from Mrs C Lambert, a sister of the director, for consideration of £3,370.

The balance outstanding at 31 December 2007 due from Wisdom of Nature Limited amounted to £19,216 (2006 : £48,548).

The company operates a current account with Mme M Estienne, the mother of the director. The balance owed to Mme M Estienne as at 31 December 2007 was £42,980 (2006 : £82,087). The maximum balance outstanding during the year was £82,087. The current account is interest free and has no set repayment terms.

The company operates a current account with Mrs C Lambert, a sister of the director. The balance owed to Mrs C Lambert as at 31 December 2007 was £3,369 (2006 : £3,369). The maximum balance outstanding during the year was £3,369. The current account is interest free and has no set repayment terms.

All transactions were made on a normal arms length trading basis.

Natural Distribution (Holdings) Limited

Notes to the financial statements for the year ended 31 December 2007

16. Controlling party

Mrs V Hassett, a director, controls the company by virtue of a controlling interest of 99.3% of the issued ordinary share capital.

Natural Distribution (Holdings) Limited

Detailed trading and profit and loss account for the year ended 31 December 2007

	Page	2007 £	2006 £
Turnover	13	150,000	150,000
Other operating income	13	204,000	156,000
		<hr/>	<hr/>
		354,000	306,000
 Less: Overheads			
Administration expenses	13	(175,875)	(155,694)
		<hr/>	<hr/>
Operating profit		178,125	150,306
Interest payable	13	(65,655)	(64,083)
		<hr/>	<hr/>
Profit for the year		112,470	86,223
		<hr/> <hr/>	<hr/> <hr/>

Natural Distribution (Holdings) Limited

Schedule to the detailed accounts for the year ended 31 December 2007

	2007 £	2006 £
Turnover		
Rental Income	<u>150,000</u>	<u>150,000</u>
	2007 £	2006 £
Other operating income		
Management charges receivable	<u>204,000</u>	<u>156,000</u>
	2007 £	2006 £
Administration expenses		
Directors remuneration	7,200	7,200
Staff salaries	143,722	117,005
Staff national insurance	13,563	12,196
Motor expenses	4,566	4,708
Legal and professional	-	10
Auditors' remuneration	2,800	2,700
Auditors' remuneration - non-audit	750	-
Accountancy fees	3,274	-
Sundry expenses	-	500
Insurances	-	1,375
Write off of investment	-	10,000
	<u>175,875</u>	<u>155,694</u>
	2007 £	2006 £
Interest payable		
Bank charges and interest	1,164	213
Bank mortgage interest	64,491	63,870
	<u>65,655</u>	<u>64,083</u>