

Registered number: 4926782

**Sante Verte Limited**

SV 2007

**Director's report and financial statements**

**for the year ended 31 December 2007**

## **Sante Verte Limited**

### **Company information**

#### **Directors**

M Estienne  
J Theron (resigned 03/07/07)

#### **Company number**

4926782

#### **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  
Canterbury  
Kent  
CT1 2TU

# **Sante Verte Limited**

## **Contents**

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

## **Sante Verte 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 period was the supply of natural health and beauty products.

#### **Directors**

The directors who served during the year were:

M Estienne  
J Theron (resigned 03/07/07)

#### **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**  
Director

## **Sante Verte Limited**

### **Independent auditors' report to the shareholders of Sante Verte Limited**

We have audited the financial statements of Sante Verte 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.

## **Sante Verte Limited**

### **Independent auditors' report to the shareholders of Sante Verte 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

**Sante Verte Limited**

**Profit and loss account  
for the year ended 31 December 2007**

	<b>Note</b>	<b>2007 £</b>	<b>2006 £</b>
<b>Turnover</b>	1,2	<b>6,149,203</b>	5,514,153
Cost of sales		<b>(4,074,526)</b>	(4,011,212)
<b>Gross profit</b>		<b>2,074,677</b>	1,502,941
Administrative expenses		<b>(1,768,634)</b>	(1,486,008)
Other operating income	3	<b>11,000</b>	56,100
<b>Operating profit</b>	4	<b>317,043</b>	73,033
Interest payable	5	<b>(82,175)</b>	(50,967)
<b>Profit on ordinary activities before taxation</b>		<b>234,868</b>	22,066
Tax on profit on ordinary activities	6	<b>(70,621)</b>	(5,739)
<b>Profit on ordinary activities after taxation</b>	13	<b>164,247</b>	16,327

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

# Sante Verte Limited

## Balance sheet as at 31 December 2007

	Note	£	2007 £	£	2006 £
<b>Fixed assets</b>					
Tangible fixed assets	7		115,791		125,740
<b>Current assets</b>					
Stocks	8	590,245		418,124	
Debtors	9	968,064		1,008,379	
Cash at bank		38,347		25,655	
			<u>1,596,656</u>	<u>1,452,158</u>	
<b>Creditors:</b> amounts falling due within one year	10	(1,499,672)		(1,429,328)	
<b>Net current assets</b>			<u>96,984</u>		<u>22,830</u>
<b>Total assets less current liabilities</b>			<u>212,775</u>		<u>148,570</u>
<b>Creditors:</b> amounts falling due after more than one year	11		-		(100,042)
<b>Net assets</b>			<u>212,775</u>		<u>48,528</u>
<b>Capital and Reserves</b>					
Called up share capital	12		1		1
Profit and loss account	13		212,774		48,527
<b>Shareholders' funds</b>			<u>212,775</u>		<u>48,528</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.

**M Estienne**  
Director

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



## **Sante Verte 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).

##### **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 on the following bases:

Plant & Machinery	-	25% reducing balance
Fixtures, Fittings & Office Equipment	-	15-25% reducing balance

##### **1.4 Operating leases**

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

##### **1.5 Stocks**

Stocks 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.

##### **1.6 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

## Sante Verte Limited

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

#### 1. Accounting policies (continued)

##### 1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss account.

#### 2. Turnover

99.1% of the company's turnover (2006 - 98.9%) is attributable to geographical markets outside the United Kingdom.

#### 3. Other operating income

	2007 £	2006 £
Other operating income	11,000	56,100

#### 4. Operating profit

The operating profit is stated after charging:

	2007 £	2006 £
Depreciation of tangible fixed assets:		
- owned by the company	22,571	25,214
- held under hire purchase contracts	9,904	13,205
Auditors remuneration	6,100	6,000
Pension costs	760	760
(Profit)/Loss on Foreign Exchange	(7,530)	(15,148)
Operating Lease Rentals	180,994	165,749

During the year, no director received any emoluments from the company (2006 - £NIL). The directors received remuneration from the parent company totalling £52,004 (2006 - £64,397).

#### 5. Interest payable

	2007 £	2006 £
On bank loans and overdrafts	66,863	47,771
On finance leases and hire purchase contracts	15,312	3,196
	82,175	50,967

## Sante Verte Limited

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

#### 6. Taxation

	2007 £	2006 £
UK corporation tax charge on profit for the year	<b>70,621</b>	5,739

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19.75% (2006 - 19%).

There were no factors that may affect future tax charges.

#### 7. Tangible fixed assets

	Plant and machinery £	Furniture, fittings and office equipment £	Total £
<b>Cost</b>			
At 1 January 2007	36,957	184,219	221,176
Additions	7,744	14,782	22,526
At 31 December 2007	<b>44,701</b>	<b>199,001</b>	<b>243,702</b>
<b>Depreciation</b>			
At 1 January 2007	15,471	79,965	95,436
Charge for the year	5,754	26,721	32,475
At 31 December 2007	<b>21,225</b>	<b>106,686</b>	<b>127,911</b>
<b>Net book value</b>			
At 31 December 2007	<b>23,476</b>	<b>92,315</b>	<b>115,791</b>
At 31 December 2006	21,486	104,254	125,740

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2007 £	2006 £
Furniture, fittings and office equipment	<b>29,714</b>	39,620

#### 8. Stocks

	2007 £	2006 £
Finished goods and goods for resale	<b>590,245</b>	418,124

## Sante Verte Limited

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

#### 9. Debtors

	2007 £	2006 £
Trade debtors	757,533	675,183
Amounts owed by group undertakings	-	135,534
Prepayments	34,396	48,387
Other debtors	176,135	149,275
	<u>968,064</u>	<u>1,008,379</u>

#### 10. Creditors: Amounts falling due within one year

	2007 £	2006 £
Bank loans and overdrafts	63,066	35,892
Net obligations under finance leases and hire purchase contracts	-	6,238
Trade creditors	351,651	443,237
Corporation tax	70,621	5,739
Social security and other taxes	95,979	73,442
Amounts owed to group undertakings	140,225	-
Accruals	138,377	40,847
Other creditors	639,753	823,933
	<u>1,499,672</u>	<u>1,429,328</u>

The bank loans and overdrafts are secured by a cross guarantee between Natural Distribution (Holdings) Limited and Sante Verte Limited together with a limited personal guarantee of £220,000 provided by Mrs M Estienne and Mrs V Hassett.

Other creditors includes an invoice discounting account in the sum of £539,236 which is secured by a charge over the trade debtors of the company.

#### 11. Creditors: Amounts falling due after more than one year

	2007 £	2006 £
Amounts owed to group undertakings	-	100,042
	<u>-</u>	<u>100,042</u>

## Sante Verte Limited

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

#### 12. Share capital

	2007 £	2006 £
<b>Authorised</b>		
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
	<u>100,000</u>	<u>100,000</u>
<b>Allotted, called up and fully paid</b>		
1 'A' Ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

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.

#### 13. Reserves

	Profit and loss account £
At 1 January 2007	48,527
Profit for the year	164,247
	<u>212,774</u>
At 31 December 2007	<u>212,774</u>

#### 14. Pension commitments

The company operates a defined contribution pension scheme. The pension cost charge represents amounts payable to the fund and amounted to £760 (2006: £760).

#### 15. Operating lease commitments

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as follows:

	2007 £	2006 £
<b>Expiry date:</b>		
Within 1 year	150,000	150,000
Between 2 and 5 years	22,386	-
	<u>172,386</u>	<u>150,000</u>

## **Sante Verte Limited**

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

#### **16. Transactions with directors**

The company operates a current account with Mme M Estienne, the director. The balance owed to Mme M Estienne as at 31 December 2007 was £2,253 (2006 : £58,746). The maximum balance outstanding during the year was £58,746. The current account is interest free and has no set repayment terms.

#### **17. Related party transactions**

During the year to 31 December 2007, the company paid £Nil (2006 : £16,242) on behalf of Natural Distribution Limited, a former group undertaking, this company was dissolved on 14 November 2007.

During the year to 31 December 2007, the company was supplied goods and services by Natural Distribution (Holdings) Limited, its parent company, totalling £354,000 (2006 : £306,000).

The balance outstanding at 31 December 2007, due to Natural Distribution (Holdings) Limited amounted to £92,071 (2006 : £100,042).

During the year to 31 December 2007, the company supplied services to Wisdom of Nature Limited, a group undertaking, totalling £66,768 (2006 : £118,451).

The balance outstanding at 31 December 2007, due to Wisdom of Nature Limited amounted to £48,154. (2006 : due from Wisdom of Nature Limited £135,534).

During the year to 31 December 2007, the company was supplied services by Instar Solutions Limited, a company owned by the former director C Novak, totalling £Nil (2006 : £48,446).

The company operates a current account with Mrs V Hassett, a daughter of the director. The balance owed to Mrs V Hassett as at 31 December 2007 was £42,277 (2006 : owed by Mrs V Hassett £4,500). The maximum balance outstanding during the year was £42,277. The current account is interest free and has no set repayment terms.

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

#### **18. Ultimate parent undertaking and controlling party**

The ultimate parent undertaking of this company at 31 December 2007 is Natural Distribution (Holdings) Limited, a company incorporated in England and Wales which owns 100% of the issued share capital in Sante Verte Limited.

Mrs V Hassett, a director of Natural Distribution (Holding) Limited is the ultimate controlling party by virtue of a controlling interest of 99.3% of the issued share capital in that company.