

SV 2008

Sante Verte Limited

**Director's report and financial statements
for the year ended 31 December 2008**

(4)

FA	183	NW	750
St.	665	oblig	18
Debtors	1291	BKs	68
Group	57	Trade	689
Others	312	Supplier	389
Prepaid	49	Group	231
Cash	239	Others	651
			2796
	1796		

1708 { } x 201

Sante Verte Limited

Company information

Director M Estienne

Company secretary V Hassett

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
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Sante Verte Limited

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Sante Verte Limited

Director's report for the year ended 31 December 2008

The director presents her report and the financial statements for the year ended 31 December 2008.

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.

Director

The director who served during the year was:

M Estienne

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
- that 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 their 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 15 May 2009 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 2008, set out on pages 4 to 11. These financial statements have been prepared under 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 2008 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

15 May 2009

Sante Verte Limited

**Profit and loss account
for the year ended 31 December 2008**

	Note	2008 £	2007 £
Turnover	1,2	8,688,205	6,149,203
Cost of sales		(5,804,018)	(4,074,526)
Gross profit		2,884,187	2,074,677
Administrative expenses		(2,035,725)	(1,768,634)
Other operating income	3	-	11,000
Operating profit	4	848,462	317,043
Interest receivable		2,315	-
Interest payable	5	(96,424)	(82,175)
Profit on ordinary activities before taxation		754,353	234,868
Tax on profit on ordinary activities	6	(217,500)	(70,621)
Profit for the financial year	13	536,853	164,247

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

Sante Verte Limited

**Balance sheet
as at 31 December 2008**

	Note	£	2008 £	£	2007 £
Fixed assets					
Tangible fixed assets	7		182,522		115,791
Current assets					
Stocks	8	665,046		590,245	
Debtors	9	1,708,542		968,064	
Cash at bank		239,304		38,347	
			<u>2,612,892</u>	<u>1,596,656</u>	
Creditors: amounts falling due within one year	10	(2,027,940)		(1,499,672)	
Net current assets			<u>584,952</u>		96,984
Total assets less current liabilities			<u>767,474</u>		212,775
Creditors: amounts falling due after more than one year	11		(17,846)		-
Net assets			<u><u>749,628</u></u>		<u><u>212,775</u></u>
Capital and Reserves					
Called up share capital	12		1		1
Profit and loss account	13		749,627		212,774
Shareholders' funds			<u><u>749,628</u></u>		<u><u>212,775</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable 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 15 May 2009.

M Estienne
Director

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

**Notes to the financial statements
for the year ended 31 December 2008**

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	-	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 2008

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 (2007 - 99.1%) is attributable to geographical markets outside the United Kingdom.

3. Other operating income

	2008 £	2007 £
Other operating income	-	11,000

4. Operating profit

The operating profit is stated after charging:

	2008 £	2007 £
Depreciation of tangible fixed assets:		
- owned by the company	32,299	22,571
- held under purchase contracts	7,428	9,904
Auditors remuneration	6,400	6,100
Pension costs	760	760
(Profit)/Loss on Foreign Exchange	(20,321)	(7,530)
Operating Lease Rentals	156,790	180,994

During the year, no director received any emoluments (2007 - £NIL). Directors remuneration paid by the parent company during the year totalled £12,000 (2007 - £52,004).

5. Interest payable

	2008 £	2007 £
On bank loans and overdrafts	71,569	66,863
On finance leases and hire purchase contracts	24,855	15,312
	96,424	82,175

Sante Verte Limited

Notes to the financial statements for the year ended 31 December 2008

6. Taxation

	2008 £	2007 £
UK corporation tax charge on profit for the year	<u>217,500</u>	<u>70,621</u>

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 28.5% (2007 - 30%).

There were no factors that may affect future tax charges.

7. Tangible fixed assets

	Plant and machinery £	Furniture, fittings and office equipment £	Total £
Cost			
At 1 January 2008	44,701	199,001	243,702
Additions	44,775	62,191	106,966
Disposals	(6,025)	-	(6,025)
At 31 December 2008	<u>83,451</u>	<u>261,192</u>	<u>344,643</u>
Depreciation			
At 1 January 2008	21,225	106,686	127,911
Charge for the year	8,377	31,350	39,727
On disposals	(5,517)	-	(5,517)
At 31 December 2008	<u>24,085</u>	<u>138,036</u>	<u>162,121</u>
Net book value			
At 31 December 2008	<u>59,366</u>	<u>123,156</u>	<u>182,522</u>
At 31 December 2007	<u>23,476</u>	<u>92,315</u>	<u>115,791</u>

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

	2008 £	2007 £
Plant and machinery	23,000	-
Furniture, fittings and office equipment	22,285	29,714
	<u>45,285</u>	<u>29,714</u>

Sante Verte Limited

Notes to the financial statements for the year ended 31 December 2008

8. Stocks

	2008 £	2007 £
Finished goods and goods for resale	<u>665,046</u>	<u>590,245</u>

9. Debtors

	2008 £	2007 £
Trade debtors	1,290,510	757,533
Amounts owed by group undertakings	57,253	-
Prepayments	48,523	34,396
Other debtors	312,256	176,135
	<u>1,708,542</u>	<u>968,064</u>

10. Creditors: Amounts falling due within one year

	2008 £	2007 £
Bank loans and overdrafts	64,332	63,066
Net obligations under finance leases and hire purchase contracts	4,032	-
Trade creditors	688,655	351,651
Corporation tax	217,500	70,621
Social security and other taxes	171,265	95,979
Amounts owed to group undertakings	231,322	140,225
Accruals	186,848	138,377
Other creditors	463,986	639,753
	<u>2,027,940</u>	<u>1,499,672</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 £421,568 (2007: £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

	2008 £	2007 £
Net obligations under finance leases and hire purchase contracts	<u>17,846</u>	<u>-</u>

Sante Verte Limited

Notes to the financial statements for the year ended 31 December 2008

12. Share capital

	2008 £	2007 £
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
	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
1 'A' Ordinary share of £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 2008	212,774
Profit for the year	536,853
	<u>749,627</u>
At 31 December 2008	

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 (2007: £760).

15. Operating lease commitments

At 31 December 2008 the company had annual commitments under non-cancellable operating leases as follows:

	2008 £	2007 £
Expiry date:		
Within 1 year	150,000	150,000
Between 2 and 5 years	<u>22,386</u>	<u>22,386</u>

16. Transactions with director

The company operates a current account with Mme M Estienne, the director. The balance owed to Mme M Estienne as at 31 December 2008 was £Nil (2007: £2,253). The maximum balance outstanding during the year was £2,253. The current account is interest free and has no set repayment terms.

Sante Verte Limited

Notes to the financial statements for the year ended 31 December 2008

17. Related party transactions

During the year to 31 December 2008, the company was supplied goods and services by Natural Distribution (Holdings) Limited, its parent company, totalling £308,000 (2007: £354,000).

The balance outstanding at 31 December 2008, due from Natural Distribution (Holdings) Limited amounted to £57,253 (2007 due to Natural Distribution (Holdings) Limited: £92,071).

During the year to 31 December 2008, the company supplied services to Wisdom of Nature Limited, a group undertaking, totalling £74,625 (2007: £66,768).

The balance outstanding at 31 December 2008, due to Wisdom of Nature Limited amounted to £231,322. (2007: £48,154).

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 2008 was £4,787 (2007: £42,277). 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 2008 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 60% of the issued share capital in that company.