

Registered number: 4974285

WON 2008

## Wisdom of Nature Limited

### Director's report and financial statements

for the year ended 31 December 2008

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|         |     |           |     |
|---------|-----|-----------|-----|
| St.     | 134 | MM        | 227 |
| Debtors | 526 | Creditors | 446 |
| Cash    | 11  |           |     |

| Debtors |     | Creditors: |      |
|---------|-----|------------|------|
| Trade   | 292 | BK         | 30 x |
| Govt    | 231 | Trade      | 203  |
| Others  | 3   | Govt       | 31   |
|         |     | Supplies   | 52   |
|         |     | Accruals   | 93   |
|         |     | Others     | 24   |

## **Wisdom of Nature Limited**

### **Company information**

**Director** M Estienne

**Company secretary** V Hassett

**Company number** 4974285

**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

# **Wisdom of Nature Limited**

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## **Wisdom of Nature 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 year was the supply of natural health and beauty products.

#### **Directors**

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

## **Wisdom of Nature Limited**

### **Independent auditors' report to the shareholders of Wisdom of Nature Limited**

We have audited the financial statements of Wisdom of Nature Limited for the year ended 31 December 2008, set out on pages 4 to 9. 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.

## **Wisdom of Nature Limited**

### **Independent auditors' report to the shareholders of Wisdom of Nature 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

# **Wisdom of Nature Limited**

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

|  | Note | 2008<br>£             | 2007<br>£        |
|--|------|-----------------------|------------------|
| <b>Turnover</b>                                      | 1,2  | <b>1,743,546</b>      | 1,581,524        |
| Cost of sales  |      | <u>(1,113,839)</u>    | <u>(995,364)</u> |
| <b>Gross profit</b>                                  |      | <b>629,707</b>        | 586,160          |
| Administrative expenses                              |      | <u>(421,114)</u>      | <u>(482,143)</u> |
| <b>Operating profit</b>                              | 3    | <b>208,593</b>        | 104,017          |
| Interest receivable                                  |      | <b>460</b>            | -                |
| Interest payable                                     | 4    | <u>(13,258)</u>       | <u>(13,475)</u>  |
| <b>Profit on ordinary activities before taxation</b> |      | <b>195,795</b>        | 90,542           |
| Tax on profit on ordinary activities                 | 5    | <u>(50,500)</u>       | <u>(18,078)</u>  |
| <b>Profit for the financial year</b>                 | 10   | <u><b>145,295</b></u> | <u>72,464</u>    |

The notes on pages 6 to 9 form part of these financial statements.

# **Wisdom of Nature Limited**

## **Balance sheet as at 31 December 2008**

|   | Note | £              | 2008<br>£      | £              | 2007<br>£     |
|---|------|----------------|----------------|----------------|---------------|
| <b>Current assets</b>                                 |      |                |                |                |               |
| Stocks  | 6    | 133,667        |                | 102,012        |               |
| Debtors   | 7    | 526,038        |                | 300,855        |               |
| Cash at bank  |      | 11,075         |                | 28,718         |               |
|   |      | <u>670,780</u> |                | <u>431,585</u> |               |
| <b>Creditors:</b> amounts falling due within one year | 8    | (443,505)      |                | (349,605)      |               |
| <b>Net current assets</b>                             |      |                | <u>227,275</u> |                | 81,980        |
| <b>Total assets less current liabilities</b>          |      |                | <u>227,275</u> |                | <u>81,980</u> |
| <b>Capital and Reserves</b>                           |      |                |                |                |               |
| Called up share capital                               | 9    |                | 1              |                | 1             |
| Profit and loss account                               | 10   |                | 227,274        |                | 81,979        |
| <b>Shareholders' funds</b>                            |      |                | <u>227,275</u> |                | <u>81,980</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 9 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 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.

**1.4 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.

**1.5 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**

56.7% of the company's turnover (2007 - 55.9%) is attributable to geographical markets outside the United Kingdom.

## Wisdom of Nature Limited

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

#### 3. Operating profit

The operating profit is stated after charging:

|                                   | 2008<br>£ | 2007<br>£ |
|-----------------------------------|-----------|-----------|
| Auditors' remuneration            | 4,825     | 4,600     |
| Loss/(profit) on foreign exchange | (6,686)   | (2,563)   |

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).

#### 4. Interest payable

|                              | 2008<br>£     | 2007<br>£     |
|------------------------------|---------------|---------------|
| On bank loans and overdrafts | 13,258        | 7,685         |
| Bank charges                 | -             | 5,790         |
|                              | <u>13,258</u> | <u>13,475</u> |

#### 5. Taxation

|  | 2008<br>£ | 2007<br>£ |
|--|-----------|-----------|
| UK corporation tax charge on profit for the year | 50,500    | 18,078    |

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 20.75% (2007 - 19.75%).

There were no factors that may affect future tax charges.

#### 6. Stocks

|                                     | 2008<br>£ | 2007<br>£ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 133,667   | 102,012   |

## Wisdom of Nature Limited

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

#### 7. Debtors

|                                    | 2008<br>£      | 2007<br>£      |
|------------------------------------|----------------|----------------|
| Trade debtors                      | 292,168        | 232,132        |
| Amounts owed by group undertakings | 231,322        | 48,153         |
| Other debtors                      | 2,548          | 20,570         |
|                                    | <u>526,038</u> | <u>300,855</u> |

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

|                                    | 2008<br>£      | 2007<br>£      |
|------------------------------------|----------------|----------------|
| Bank loans and overdrafts          | 29,642         | 16,620         |
| Trade creditors                    | 202,864        | 148,368        |
| Amounts owed to group undertakings | 31,135         | 19,216         |
| Corporation tax                    | 50,500         | 18,078         |
| Social security and other taxes    | 2,379          | -              |
| Accruals                           | 92,886         | 54,545         |
| Other creditors                    | 34,099         | 92,778         |
|                                    | <u>443,505</u> | <u>349,605</u> |

The bank loans and overdrafts are secured by a fixed and floating charge over all the assets of the company 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 amounting to £34,099 (2007: £92,778) which is secured by a charge over the trade debtors of the company.

#### 9. Share capital

|   | 2008<br>£     | 2007<br>£     |
|---|---------------|---------------|
| <b>Authorised</b>                         |               |               |
| 2,500 'A' Ordinary shares of £1 each      | 2,500         | 2,500         |
| 2,500 'B' Ordinary shares of £1 each      | 2,500         | 2,500         |
| 2,500 'C' Ordinary shares of £1 each      | 2,500         | 2,500         |
| 2,500 'D' Ordinary shares of £1 each      | 2,500         | 2,500         |
|   | <u>10,000</u> | <u>10,000</u> |
| <b>Allotted, called up and fully paid</b> |               |               |
| 1 'A' Ordinary share of £1                | 1             | 1             |

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

## Wisdom of Nature Limited

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

#### 10. Reserves

|                     | Profit and<br>loss account<br>£ |
|---------------------|---------------------------------|
| At 1 January 2008   | 81,979                          |
| Profit for the year | 145,295                         |
| At 31 December 2008 | <u>227,274</u>                  |

#### 11. Related party transactions

During the year to 31 December 2008, the company paid consultancy fees to Mrs C Lambert, the daughter of the director, totalling £5,095 (2007 : £Nil).

During the year to 31 December 2008, the company received goods and services from Sante Verte Limited, a group undertaking, totalling £74,625 (2007 : £66,768).

The balance outstanding at 31 December 2008, due from Sante Verte Limited amounted to £233,870. (2007 : £48,153).

During the year to 31 December 2008, the company received services from Natural Distribution (Holdings) Limited, its parent company, totalling £20,000 (2007 : £Nil).

The balance outstanding at 31 December 2008 due to Natural Distribution (Holdings) Limited amounted to £31,135 (2007 : £19,216).

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

#### 12. 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 Wisdom of Nature 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.