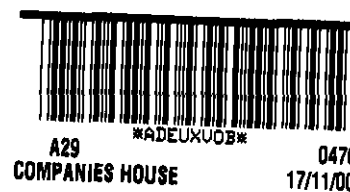


SONIK PRODUCTS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30TH APRIL 2000



SONIK PRODUCTS LIMITED
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FOR THE YEAR ENDED 30TH APRIL 2000

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SONIK PRODUCTS LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH APRIL 2000

Directors:

R. N. Kanbi

Secretary:

R. R. Kanbi

Registered Office:

Woodside End
Alperton
Wembely
HA0 1UT

Registered Number:

03184821 (England and Wales)

Auditors:

C. Jay & Co.
Chartered Certified Accountants
99A Cobbold Road
Willesden
LONDON
NW10 9SL

Bankers:

Barclays Bank Plc.
8/9 Hanover Square
London
W1A 42W

SONIK PRODUCTS LIMITED

RESPONSIBILITIES OF DIRECTORS AND AUDITORS

FOR THE YEAR ENDED 30TH APRIL 2000

DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which gives 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 those financial statements, the directors are required to;

Select suitable accounting policies and then apply them consistently.

Make Judgements and estimates that are reasonable and prudent;
State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable to ensure that the financial statements comply with the Companies Act 1985. They are 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.

AUDITORS RESPONSIBILITIES

It our responsibility to firm an independent opinion on the financial statement presented by the directors based on our audit and to report our opinion to you. The Companies Act 1985 also requires us to report to you if the following requirements are not met:

That the company has maintained proper accounting records. That the financial statements are in agreement with the accounting records.

That directors' employment's and other transactions with directors are properly disclosed in the financial statements.

That we have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.

SONIK PRODUCTS LIMITED

REPORT OF THE DIRECTORS (CONT...)

FOR THE YEAR ENDED 30TH APRIL 2000

DIRECTORS REPORT

The Directors submit their annual report and audited financial statements of the Company for the year ended 30th April 2000.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of Wholesale Distribution of Health and Beauty Products.

STATE OF AFFAIRS

The Directors are satisfied with the state of the company's trading for the year under review and look forward to the future with confidence.

DIVIDENDS

The Directors do not recommend the payment of a dividend.

FIXED ASSETS

All movements are shown in the attached financial statements.

EXPORTS

The exports of the year amounted to £75887.00 (1999-£39522).

DONATIONS

There were no political or charitable donations made by the company during the year.

SONIK PRODUCTS LIMITED

REPORT OF THE DIRECTORS (CONT.....)

FOR THE YEAR ENDED 30TH APRIL 2000

DIRECTORS AND THEIR INTERESTS

The directors who served during the year had the following interests in the Company's shares.

	<u>Number of Shares</u>
R. N. Kanbi	1

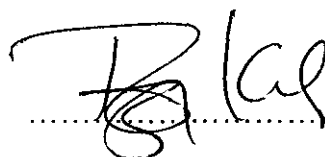
CLOSE COMPANY

The Directors are of the opinion from the information available to them that the Company is a close company as defined by the Income and Corporation Taxes Act 1988.

Auditors

In accordance with Section 385 of the Companies Act 1985, the Company has passed an elective resolution to retain C. Jay & Co. as auditors without the need for annual re-election. C. Jay & Co. have indicated their willingness to continue in office. This report has been prepared in accordance with the special provisions relating to small companies within part VII of the Companies ACT 1985.

DATE 20/9/2000



.....
Signed on behalf of the Board.

AUDITORS REPORT TO THE SHAREHOLDERS OF

SONIK PRODUCTS LIMITED

FOR THE YEAR ENDED 30TH APRIL 2000

We have audited the financial statements on pages 6 to 11 which have been prepared in accordance with the financial reporting standard for small entities under the historical cost convention and the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Company's directors are responsible for the presentation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards 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 judgements made by the directors 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 explanation which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularities or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

In our opinion, the financial statements give a true and fair view of the state of the affairs at 30th April 2000, and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

C. Jayalo
C. JAY & CO.
Registered Auditors

Date *21st September 2000*

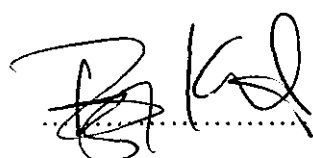
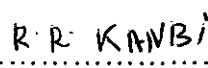
SONIK PRODUCTS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30TH APRIL 2000**

	<u>Notes</u>	<u>2000</u> £	<u>1999</u> £
<u>TURNOVER</u>	(2)	711385	390044
Cost of Sales		<u>624037</u>	<u>338493</u>
<u>GROSS PROFIT</u>		<u>87348</u>	<u>51551</u>
Administrative Expenses		36454	17318
Financial Expenses		<u>9676</u>	<u>6658</u>
		<u>46130</u>	<u>23976</u>
<u>PROFIT ON ORDINARY ACTIVITIES</u>	(3)	41218	27575
Taxation on Ordinary Activities	(7)	<u>7905</u>	<u>5768</u>
		33313	21807
<u>RETAINED PROFIT BROUGHT FORWARD</u>		<u>39173</u>	<u>17366</u>
<u>RETAINED PROFIT CARRIED FORWARD</u>		£ <u>72486</u>	£ <u>39173</u>

SONIK PRODUCTS LIMITED**BALANCE SHEET AS AT 30TH APRIL 2000**

<u>FIXED ASSETS</u>	<u>Notes</u>	<u>2000</u> £	<u>1999</u> £
Tangible Assets	(10)	<u>5007</u>	<u>6675</u>
<u>CURRENT ASSETS</u>			
Stocks	(1e)	288578	192376
Debtors	(11)	<u>115179</u>	<u>99124</u>
		403757	291500
<u>CREDITORS</u>			
Amounts falling due within one year	(12)	<u>269276</u>	<u>192000</u>
<u>NET CURRENT ASSETS</u>			
		<u>134481</u>	<u>99500</u>
		139488	106175
<u>CREDITORS</u>			
Amounts falling due after more than one year	(13)	<u>67000</u>	<u>67000</u>
		£ <u>72488</u>	£ <u>39175</u>
<u>CAPITAL AND RESERVES</u>			
		£	£
Called Up Share Capital	(14)	2	2
Profit and Loss Account		<u>72486</u>	<u>39173</u>
		£ <u>72488</u>	£ <u>39175</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within part VII of the companies Act 1985 and with the Financial Reporting Standard for smaller entities.

) DIRECTOR ) DIRECTOR

Auditors' Report - Page 5.

The Notes on Pages 8 - 11 form an integral part of these Accounts.

SONIK PRODUCTS LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 30TH APRIL 2000****1) ACCOUNTING POLICIES**

- a) The Accounts have been prepared under the historic cost convention.
The company has taken advantage of the exemption in financial reporting standard No. 1 from the requirements to produce a cash flow statement on the grounds that it is a small company.
- b) Turnover represents the net amount of invoices to customers less credit notes for goods returned, excluding VAT.
- c) Depreciation has been provided on Fixed Assets on the Book Value of the assets concerned at the rate of 25%.
- d) No provision is made for taxation deferred in respect of material timing differences. In the opinion of the Directors, there is reasonable probability that the liability will not arise in the foreseeable future.
- e) Stock and Work in progress are valued at the lower of cost and net realisable value.
- f) The Accounts have have been prepared on a going concern basis, with the understanding that the financial support from the company's Bankers, Directors and financiers will continue to be provided.

2) TURNOVER

The turnover and profit before taxation is attributable to the Company's principal activity, namely Health & Beauty Products.

3) OPERATING PROFIT

The operating profit is stated after charging:

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Depreciation of Tangible Fixed Assets	1669	2224
Auditors Remuneration	<u>1200</u>	<u>1200</u>

4) STAFF COSTS

Staff Costs, including directors remuneration, were as follows:

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Wages & Salaries	NIL	NIL
Social Security Costs	<u>NIL</u>	<u>NIL</u>
	<u>NIL</u>	<u>NIL</u>

The average number of employees, including directors, during the year were as follows:

Office and Administration	<u>2</u>	<u>2</u>
---------------------------	----------	----------

SONIK PRODUCTS LIMITED**NOTES TO THE ACCOUNTS (CONT)****FOR THE YEAR ENDED 30TH APRIL 2000****5) DIRECTORS REMUNERATION**

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
For Management	NIL	NIL
Directors Fees	<u>NIL</u>	<u>NIL</u>
	<u><u>NIL</u></u>	<u><u>NIL</u></u>

Included in the above are emoluments paid to:

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
The Chairman	NIL	NIL
Highest Paid Director	<u>NIL</u>	<u>NIL</u>

6) INTEREST PAYABLE

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
On Bank Overdrafts & Loans		
Repayable within 5 years, not by installments	NIL	NIL
Repayable after more than 5 years	<u>NIL</u>	<u>NIL</u>

7) TAXATION

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
UK Corporation Tax	<u>7905</u>	<u>5768</u>

Auditors' Report on Page 5.

These Notes form an integral part of the Accounts.

SONIK PRODUCTS LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 30TH APRIL 2000**

- 8) No material Post Balance Sheet events have occurred that could significantly affect the True and Fair view of the Financial Statements.
- 9) In the opinion of the Directors, there are no known contingent liabilities at the Balance Sheet Date.

10) <u>FIXED ASSETS</u>	<u>Motor Vehicles</u>	<u>Office Equipment</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Cost (B/F)	15620	200	15820
	15620	200	15820
Depreciation (B/F)	9030	115	9145
Charge for the year	1647	21	1668
Balance	10677	136	10813
<u>NET BOOK VALUE 30/4/00</u>	<u>4943</u>	<u>64</u>	<u>5007</u>

11) <u>DEBTORS</u>	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Amounts due within one year:		
Trade Debtors	<u>115179</u>	<u>99124</u>
	<u>115179</u>	<u>99124</u>

SONIK PRODUCTS LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 30TH APRIL 2000**

12) <u>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Trade Creditors	160251	140152
VAT Payable	38963	7491
Directors Current Account	6655	6655
Sundry Creditors	43100	23100
H.P. Creditors	3934	7306
Corporation Tax	7905	-
Inland Revenue	329	5768
Bank Overdraft	8139	1528
	<u>£ 269276</u>	<u>£ 192000</u>

13) <u>CREDITORS - AMOUNTS DUE AFTER MORE THAN ONE YEAR</u>	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
(Shareholders Loans are Interest free with no set repayment date)	<u>67000</u>	<u>67000</u>

14) <u>CALLED UP SHARE CAPITAL</u>	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
<u>Authorised</u> 1000 Shares of £1 each	<u>1000</u>	<u>1000</u>
<u>Allotted, Issued and Fully Paid</u> 2 Shares of £1 each	<u>2</u>	<u>2</u>

Auditors' Report on Page 5.

These Notes form an integral part of the Accounts.