

**SONIK PRODUCTS LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**30TH APRIL 2003**



**SONIK PRODUCTS LIMITED**  
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**FOR THE YEAR ENDED 30TH APRIL 2003**

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**SONIK PRODUCTS LIMITED**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED**

**30TH APRIL 2003**

**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:**

National Westminster Bank Plc  
Dean Street Branch  
PO Box 2162  
20 Dean Street  
London  
W1A 1SX

**SONIK PRODUCTS LIMITED**

**RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

**FOR THE YEAR ENDED 30TH APRIL 2003**

**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 form 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**

**FOR THE YEAR ENDED 30TH APRIL 2003**

**DIRECTORS REPORT**

The Directors submit their annual report and financial statements of the Company for the year ended 30th April 2003.

**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 approved the payment of a dividend of £45000.00.

**FIXED ASSETS**

All movements are shown in the attached financial statements.

**EXPORTS**

The exports of the year amounted to £80042 (2002 - £210333).

**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 2003**

**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 | 68500                   |

**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 *28<sup>th</sup> NOVEMBER 2003*

*R. N. KANBI* .....

Signed on behalf of the Board.

**INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF****SONIK PRODUCTS LIMITED****FOR THE YEAR ENDED 30TH APRIL 2003**

We have audited the financial statements of Sonik Products Ltd for the year ended 30th April 2003 which comprises Profit and Loss Account and Balance Sheet and the related notes. These financial statements have been prepared in accordance with the financial reporting standard for small entities under the historical cost convention and the accounting policies set out therein.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described in the statement of Directors responsibilities the Company's directors are responsible for the presentation of financial statements in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and United Kingdom Accounting Standards.

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, if in our opinion, the Directors Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for audit, or if information specified by law regarding directors remuneration and transactions with the company is not disclosed. We read the Directors Report and consider the implications of our report if we become aware of any apparent misstatements within it.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with United Kingdom 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 that 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.

**OPINION**

In our opinion, the financial statements give a true and fair view of the state of the affairs at 30th April 2003, and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*C. Jay & Co*

**C. JAY & CO.**

Registered Auditors

Date 1st December 03

**SONIK PRODUCTS LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 30TH APRIL 2003**

|                                               | <b><u>Notes</u></b> | <b><u>2003</u></b><br>£ | <b><u>2002</u></b><br>£ |
|-----------------------------------------------|---------------------|-------------------------|-------------------------|
| <b><u>TURNOVER</u></b>                        | (2)                 | 1868905                 | 1536195                 |
| Cost of Sales                                 |                     | <u>1633991</u>          | <u>1328637</u>          |
| <b><u>GROSS PROFIT</u></b>                    |                     | <u>234914</u>           | <u>207558</u>           |
| Administrative Expenses                       |                     | 68848                   | 77946                   |
| Financial Expenses                            |                     | <u>26873</u>            | <u>24296</u>            |
|                                               |                     | <u>95721</u>            | <u>102242</u>           |
| <b><u>PROFIT ON ORDINARY ACTIVITIES</u></b>   | (3)                 | 139193                  | 105316                  |
| Taxation on Ordinary Activities               | (7)                 | <u>26447</u>            | <u>20977</u>            |
|                                               |                     | 112746                  | 84339                   |
| Dividends                                     |                     | <u>45000</u>            | <u>40000</u>            |
|                                               |                     | 67746                   | 44339                   |
| <b><u>RETAINED PROFIT BROUGHT FORWARD</u></b> |                     | <u>142137</u>           | <u>97798</u>            |
| <b><u>RETAINED PROFIT CARRIED FORWARD</u></b> |                     | £ <u>209883</u>         | £ <u>142137</u>         |

**SONIK PRODUCTS LIMITED****BALANCE SHEET AS AT 30TH APRIL 2003**

| <b><u>FIXED ASSETS</u></b>                   | <b><u>Notes</u></b> | <b><u>2003</u></b><br>£ | <b><u>2002</u></b><br>£ |
|----------------------------------------------|---------------------|-------------------------|-------------------------|
| Tangible Assets                              | (10)                | <u>312241</u>           | <u>252428</u>           |
| <b><u>CURRENT ASSETS</u></b>                 |                     |                         |                         |
| Stocks                                       | (1e)                | 546718                  | 572416                  |
| Debtors                                      | (11)                | 133103                  | 85205                   |
| Cash at Bank and in Hand                     |                     | <u>5964</u>             | <u>105347</u>           |
|                                              |                     | 685785                  | 762968                  |
| <b><u>CREDITORS</u></b>                      |                     |                         |                         |
| Amounts falling due within one year          | (12)                | <u>250667</u>           | <u>357183</u>           |
| <b><u>NET CURRENT ASSETS</u></b>             |                     | <u>435118</u>           | <u>405785</u>           |
|                                              |                     | 747359                  | 658213                  |
| <b><u>CREDITORS</u></b>                      | (13)                |                         |                         |
| Amounts falling due after more than one year |                     | <u>400476</u>           | <u>379076</u>           |
|                                              |                     | £ <u>346883</u>         | £ <u>279137</u>         |
| <b><u>CAPITAL AND RESERVES</u></b>           |                     | £                       | £                       |
| Called Up Share Capital                      | (14)                | 137000                  | 137000                  |
| Profit and Loss Account                      |                     | <u>209883</u>           | <u>142137</u>           |
|                                              |                     | £ <u>346883</u>         | £ <u>279137</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

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 2003****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**

|                                                | <b><u>2003</u></b> | <b><u>2002</u></b> |
|------------------------------------------------|--------------------|--------------------|
|                                                | <b><u>£</u></b>    | <b><u>£</u></b>    |
| The operating profit is stated after charging: |                    |                    |
| Depreciation of Tangible Fixed Assets          | 3292               | 3901               |
| Auditors Remuneration                          | <u>2500</u>        | <u>2500</u>        |

**4) STAFF COSTS**

|                                                                 | <b><u>2003</u></b> | <b><u>2002</u></b> |
|-----------------------------------------------------------------|--------------------|--------------------|
|                                                                 | <b><u>£</u></b>    | <b><u>£</u></b>    |
| Staff Costs, including directors remuneration, were as follows: |                    |                    |
| Wages & Salaries                                                | 22800              | 21700              |
| Social Security Costs                                           | <u>1065</u>        | <u>968</u>         |
|                                                                 | <u>23865</u>       | <u>22668</u>       |

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

|                           |          |          |
|---------------------------|----------|----------|
| Office and Administration | <u>3</u> | <u>3</u> |
|---------------------------|----------|----------|

**SONIK PRODUCTS LIMITED****NOTES TO THE ACCOUNTS (CONT .....)****FOR THE YEAR ENDED 30TH APRIL 2003****5) DIRECTORS REMUNERATION**

|                | <b><u>2003</u></b> | <b><u>2002</u></b> |
|----------------|--------------------|--------------------|
|                | <b><u>£</u></b>    | <b><u>£</u></b>    |
| For Management | 9600               | 9600               |
| Directors Fees | <u>NIL</u>         | <u>NIL</u>         |
|                | <u>9600</u>        | <u>9600</u>        |

Included in the above are emoluments paid to:

|                       | <b><u>2003</u></b> | <b><u>2002</u></b> |
|-----------------------|--------------------|--------------------|
|                       | <b><u>£</u></b>    | <b><u>£</u></b>    |
| The Chairman          | 9600               | 9600               |
| Highest Paid Director | <u>NIL</u>         | <u>NIL</u>         |

**6) INTEREST PAYABLE**

|                                               | <b><u>2003</u></b> | <b><u>2002</u></b> |
|-----------------------------------------------|--------------------|--------------------|
|                                               | <b><u>£</u></b>    | <b><u>£</u></b>    |
| On Bank Overdrafts & Loans                    |                    |                    |
| Repayable within 5 years, not by installments | <u>11999</u>       | <u>13537</u>       |

**7) TAXATION**

|                    | <b><u>2003</u></b> | <b><u>2002</u></b> |
|--------------------|--------------------|--------------------|
|                    | <b><u>£</u></b>    | <b><u>£</u></b>    |
| UK Corporation Tax | <u>26447</u>       | <u>20977</u>       |

Auditors' Report on Page 5.

These Notes form an integral part of the Accounts.

**SONIK PRODUCTS LIMITED****NOTES TO THE ACCOUNTS (CONT.....)****FOR THE YEAR ENDED 30TH APRIL 2003**

- 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.

| <b>10) <u>FIXED ASSETS</u></b>       | <b><u>Freehold<br/>Property</u></b><br>£ | <b><u>Motor<br/>Vehicles</u></b><br>£ | <b><u>Office<br/>Equipment</u></b><br>£ | <b><u>Total</u></b><br>£ |
|--------------------------------------|------------------------------------------|---------------------------------------|-----------------------------------------|--------------------------|
| Cost (B/F)                           | 240725                                   | 30369                                 | 1250                                    | 272344                   |
| Additions                            | 61638                                    | -                                     | 1467                                    | 63105                    |
|                                      | 302363                                   | 30369                                 | 2717                                    | 335449                   |
| Depreciation (B/F)                   | -                                        | 19292                                 | 624                                     | 19916                    |
| Charge for the year                  | -                                        | 2769                                  | 523                                     | 3292                     |
| Balance                              | -                                        | 22061                                 | 1147                                    | 23208                    |
| <b><u>NET BOOK VALUE 30/4/03</u></b> | <b>302363</b>                            | <b>8308</b>                           | <b>1570</b>                             | <b>312241</b>            |

**11) DEBTORS**

|                              | <b><u>2003</u></b><br>£ | <b><u>2002</u></b><br>£ |
|------------------------------|-------------------------|-------------------------|
| Amounts due within one year: |                         |                         |
| Trade Debtors                | <u>133103</u>           | <u>85205</u>            |

**SONIK PRODUCTS LIMITED****NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 30TH APRIL 2003****12) CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                  | <b><u>2003</u></b>     | <b><u>2002</u></b>     |
|------------------|------------------------|------------------------|
|                  | <u>£</u>               | <u>£</u>               |
| Trade Creditors  | 128645                 | 220294                 |
| VAT Payable      | 37514                  | 60495                  |
| Bank Overdraft   | 10911                  | -                      |
| Sundry Creditors | 43100                  | 43100                  |
| H.P. Creditors   | 3216                   | 5757                   |
| Corporation Tax  | 26447                  | 20977                  |
| Inland Revenue   | <u>834</u>             | <u>6560</u>            |
|                  | <b>£ <u>250667</u></b> | <b>£ <u>357183</u></b> |

**13) CREDITORS - AMOUNTS DUE AFTER MORE THAN ONE YEAR**

|                                                                                         | <b><u>2003</u></b>   | <b><u>2002</u></b>   |
|-----------------------------------------------------------------------------------------|----------------------|----------------------|
|                                                                                         | <u>£</u>             | <u>£</u>             |
| Shareholders Loans<br>(Shareholders Loans are Interest free with no set repayment date) | 191407               | 193727               |
| Bank Loans                                                                              | <u>209069</u>        | <u>185349</u>        |
|                                                                                         | <b><u>400476</u></b> | <b><u>379076</u></b> |

**14) CALLED UP SHARE CAPITAL**

|                                                                    | <b><u>2003</u></b> | <b><u>2002</u></b> |
|--------------------------------------------------------------------|--------------------|--------------------|
|                                                                    | <u>£</u>           | <u>£</u>           |
| <u>Authorised</u><br>150000 Shares of £1 each                      | <u>150000</u>      | <u>150000</u>      |
| <u>Allotted, Issued and Fully Paid</u><br>137000 Shares of £1 each | <u>137000</u>      | <u>137000</u>      |

Accountants Report on Page 6.

These Notes form an integral part of the Accounts.