

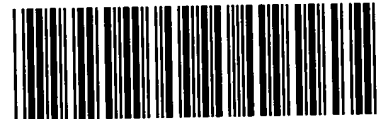
REGISTERED NUMBER 06576189

NATURAL WELLBEING LIMITED

Report and Financial Statements

Year ended 31 March 2016

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NATURAL WELLBING LIMITED

REPORT AND ACCOUNTS 2016

CONTENTS

Page

Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditor's report	5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10

NATURAL WELLBEING LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J D Amery
E L Ellis

COMPANY SECRETARY

J D Amery

REGISTERED OFFICE

180 Lifford Lane
Kings Norton
Birmingham
B30 3NU

BANKERS

RBS Invoice Finance Limited
Smith House
PO Box 50
Elmwood Avenue
Feltham
Middlesex
TW13 7QD

National Westminster Bank plc
112a High Street
Kings Heath
Birmingham
B14 7LQ

AUDITOR

RSM UK Audit LLP
St Philips Point
Temple Row
Birmingham
B2 5AF

NATURAL WELLBEING LIMITED

DIRECTORS' REPORT

The directors have pleasure in presenting their report and the financial statements of Natural Wellbeing Limited for year ended 31 March 2016.

PRINCIPAL ACTIVITIES

The principal activity of the Company in the year was the sale of health club memberships and distribution of natural health care products.

REVIEW OF BUSINESS

Natural Wellbeing Limited manages a portfolio of consumer focussed brands, including VitPlus+, Vertese, Vitagenics, Monkey Vitamins, Patrick Holford, 100% Health Club and Totally Nourish.

These brands deliver unique products to targeted market sectors and geographies, but have required significant investment as we look to build brand equity.

Good progress has been made during the year, with new markets being developed and customer relationships established which will provide opportunities for growth in future periods.

On 15 November 2016, NutraHealth plc released the Company from its loan obligations at that date of £14,000.

On 28 November 2016, Brunel Healthcare Manufacturing Limited became the 100% shareholder in the Company.

PRINCIPAL RISKS AND UNCERTAINTIES

All businesses face a range of risks and uncertainties, being subject to risk factors from internal and external sources. Natural Wellbeing Limited participates in a regular risk assessment that uses a framework encompassing a range of risk factors: operational, financial, strategic, environmental, political, social, economic, and technological. The likelihood and significance of risk factors are considered when putting in place risk management procedures to ensure risk mitigation.

KEY PERFORMANCE INDICATORS

Natural Wellbeing uses a number of key performance indicators (KPIs) to assess performance and progress against strategic objectives. The most important of these KPIs are sales and operating profit.

<i>Revenue</i>	<i>2016: £1,132,000</i>	<i>2015: £1,447,000</i>
<i>Loss from operations</i>	<i>2016: (£454,000)</i>	<i>2015: (£172,000)</i>

RESULTS

The loss after taxation for the year was £485,000 (2015: £196,000).

DIVIDEND

Dividends paid in the year were £nil (2015: £nil).

NATURAL WELLBEING LIMITED

DIRECTORS' REPORT

DIRECTORS AND DIRECTORS' INTERESTS

The directors who served throughout the year and their interests (including the interests of connected parties) at the year end in the share capital of the Company were as follows:

	B Ordinary Shares of £0.01 each 2016	B Ordinary Shares of £0.01 each 2015
J D Amery (resigned 1 August 2016, reappointed 28 November 2016)	200	200
E L Ellis (resigned 25 July 2016, reappointed 28 November 2016)	325	325
D S Lister (resigned 31 December 2015)	-	200
J S McEuen (resigned 1 August 2016)	175	175
V Naik (appointed 26 October 2016, resigned 28 November 2016)	-	-

The Company has purchased and maintained throughout the period directors' and officers' liability insurance in respect of itself and its directors.

None of the directors had an interest in a contract of significance to which the Company was a party during the year.

COMPANY POLICY ON THE PAYMENT OF CREDITORS

Payments are made within the terms established with suppliers, provided that the supplier is also complying with all relevant terms and conditions. The number of days' purchases outstanding at 31 March 2016 is 16 (2015: 19).

GOING CONCERN

The Company is dependent upon continuing financial assistance being made available by a fellow group company, BioCare Limited, to enable it to continue operating and meeting its liabilities as they fall due. This finance and support is available for a period of at least twelve months after the date of approval of these financial statements. BioCare Limited has received an undertaking in the form of a letter of support from Debanjan Hazra, the ultimate beneficial owner of the Company at the date of approval of the Financial Statements, under which he intends to provide, or procure, funding for BioCare Limited to enable it to continue to operate as a going concern and to enable it to meet its third-party debts as they fall due until at least 13 months from the date BioCare Limited's Financial Statements for the year ended 31 March 2016 are approved. The directors believe that it is therefore appropriate to prepare financial statements on a going concern basis (see note 2).

POLITICAL AND CHARITABLE DONATIONS

There were no charitable or political donations during this year or the prior period.

FINANCIAL INSTRUMENTS

Information on the Company's financial instruments is disclosed in note 2 to the financial statements.

DISCLOSURE OF INFORMATION TO AUDITORS

At the date of making this report each of the Company's directors, as set out on page 1, confirm the following:

- so far as each director is aware, there is no relevant information needed by the Company's auditors in connection with preparing their report of which the Company's auditors are unaware, and
- each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant 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.

AUDITORS

The directors have resolved to propose RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) as the Company's auditors at the next Annual General Meeting.

This report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies regime.

On behalf of the Board



James Amery

Director

16 December 2016

NATURAL WELLBEING LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements of the Company in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

The financial statements are required by law and IFRS as adopted by the EU to present fairly the financial position and performance of the Company. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

Under company law the directors must not approve the financial statements unless they are satisfied that they 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 the financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether they have been prepared in accordance with IFRS as adopted by the EU;
- d. 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NATURAL WELLBEING LIMITED

We have audited the financial statements on pages 6 to 24. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 directors and auditors

As more fully explained in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the provisions of the Companies Act 2006.

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in the accounting policies on page 10 of the financial statements regarding the company's ability to continue as a going concern. As explained in the accounting policy, the company's bank has reserved its right to exercise any or all of its rights or remedies under its funding agreements at any time and without prior notice. The directors expect that the bank will continue to provide borrowing facilities until refinancing is completed, which the directors expect to achieve in the near future. In addition, the ultimate beneficial owner of the company has provided the directors with a letter of support under which he has stated his intention to provide, or procure, funding to enable the company to continue to operate as a going concern. As explained in the accounting policies to the financial statements, these conditions indicate the existence of a material uncertainty as to the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

RSM UK Audit LLP

CHARLES FRAY (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor

Chartered Accountants

St Philips Point

Temple Row

Birmingham B2 5AF

18 December 2016

NATURAL WELLBEING LIMITED

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2016

	Note	2016 £'000	2015 £'000
REVENUE	4	1,132	1,447
Cost of sales		<u>(801)</u>	<u>(1,116)</u>
Gross profit		331	331
Administrative expenses		<u>(785)</u>	<u>(503)</u>
LOSS FROM OPERATIONS	7	(454)	(172)
Finance costs	5	<u>(31)</u>	<u>(24)</u>
LOSS BEFORE TAX		(485)	(196)
Taxation	6	<u>-</u>	<u>-</u>
LOSS AFTER TAX AND FOR THE YEAR	16	<u>(485)</u>	<u>(196)</u>
Other comprehensive income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR		<u>(485)</u>	<u>(196)</u>
Total comprehensive expense attributable to: Owners of the parent		<u>(485)</u>	<u>(196)</u>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

NATURAL WELLBEING LIMITED

STATEMENT OF FINANCIAL POSITION

As at 31 March 2016

Company No. 06576189

	Note	2016 £'000	2015 £'000
ASSETS			
<i>Non-current assets</i>			
Intangible assets	9	239	258
Tangible Assets	10	9	10
		<u>248</u>	<u>268</u>
<i>Current assets</i>			
Inventories	11	286	323
Trade and other receivables	12	141	282
Cash and cash equivalents	13	13	20
		<u>440</u>	<u>625</u>
Total assets		<u><u>688</u></u>	<u><u>893</u></u>
EQUITY AND LIABILITIES			
<i>Capital and reserves</i>			
Share capital	15	-	-
Retained earnings	16	(830)	(345)
Total equity attributable to equity holders of the parent		<u>(830)</u>	<u>(345)</u>
<i>Current liabilities</i>			
Trade and other payables	17	1,459	1,135
Bank loans	18	59	103
Total liabilities		<u>1,518</u>	<u>1,238</u>
Total equity and liabilities		<u><u>688</u></u>	<u><u>893</u></u>

The financial statements on page 6 to 24 were approved and authorised for issue by the Board of Directors on 16 December 2016 and are signed on its behalf by:



James Amery

Director

NATURAL WELLBEING LIMITED

STATEMENT OF CHANGES IN EQUITY

Year ended 31 March 2016

	Share capital £'000	Retained earnings £'000	Total £'000
At 1 April 2014	-	(149)	(149)
Loss and total comprehensive expense for the year	-	(196)	(196)
	<hr/>	<hr/>	<hr/>
At 1 April 2015	-	(345)	(345)
Loss and total comprehensive expense for the year	-	(485)	(485)
	<hr/>	<hr/>	<hr/>
At 31 March 2016	-	(830)	(830)
	<hr/>	<hr/>	<hr/>

NATURAL WELLBEING LIMITED

STATEMENT OF CASH FLOW

Year ended 31 March 2016

	Note	2016 £'000	2015 £'000
OPERATING ACTIVITIES			
Cash receipts from customers		1,233	1,376
Cash paid to suppliers and employees		(1,625)	(1,566)
Cash used from operations	20	(392)	(190)
Income taxes paid		-	-
Net cash used from operating activities		(392)	(190)
INVESTING ACTIVITIES			
Interest paid		(3)	(4)
Payments for assets		(12)	(12)
Net cash used in investing activities		(15)	(16)
FINANCING ACTIVITIES			
Net (repayment)/drawdown on bank loan		(44)	103
Cash receipts from Group companies		444	108
Net cash generated from financing activities		400	211
Net (decrease)/increase in cash and cash equivalents	21	(7)	5
Cash and cash equivalents at beginning of the year	21	20	15
Cash and cash equivalents at the end of the period	21	13	20

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

1. GENERAL INFORMATION

Natural Wellbeing Limited (the Company) is a limited company domiciled and incorporated in the United Kingdom. The addresses of its registered office and principal place of business are disclosed in the introduction to the Report and Financial Statements. The principal activities of the Company are described in note 4.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations as endorsed by the EU ("IFRS") and the requirements of the Companies Act applicable to companies reporting under IFRS.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

Going concern and future finance

The Company meets its day to day working capital needs from bank facilities provided to the Company and fellow UK subsidiaries of AD Global EOOD (together, "the Companies").

The initial term of the facilities expires in May 2017, and the bank has notified the Company of their intention to exit their banking arrangement with the Companies. At the date of these financial statements, the bank continue to provide borrowing facilities to the Company, and has not exercised its right to terminate or cancel the facilities. The bank have been kept fully informed on the progress of the Companies plans to refinance, and the Directors expect that the bank will continue to provide borrowing facilities until a satisfactory conclusion is reached, which the Directors expect to achieve prior to the end of December 2016. As the bank has reserved its right to exercise any or all of rights or remedies under its funding agreements at any time and without prior notice, there is a material uncertainty as to the Company's ability to continue as a going concern until the current bank borrowings have been repaid.

In addition, fellow group company, BioCare Limited, has received an undertaking in the form of a letter of support from Debanjan Hazra, the ultimate beneficial owner of the Company at the date of approval of the Financial Statements, under which he intends to provide, or procure, funding for BioCare Limited to enable it to continue to operate as a going concern and to enable it to meet its third-party debts as they fall due until at least 13 months from the date BioCare Limited's Financial Statements for the year ended 31 March 2016 are approved.

The Directors have taken comfort from the above undertaking and are satisfied that the Company will, if required, be able to call on this undertaking through BioCare Limited should liquidity shortfalls arise. Accordingly, the Directors are satisfied that the Company will be able to pay its debts as and when they fall due and so have prepared the financial statements on a going concern basis.

Functional and Presentation Currencies

The financial statements are presented in sterling which is also the functional currency of the Company.

Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and sales related taxes.

Sales of goods are recognised when goods are delivered and title has passed.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation

The taxation expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Pension Costs

For certain employees, the Company contributes to their personal or stakeholder pension plans. The costs of these contributions are charged to the Income Statement in the year in which they become payable.

Intangible assets

Intangible assets, being website costs, computer software and trademarks, are stated at cost less accumulated amortisation. Amortisation is charged over the estimated useful life of 10 years for website and computer software costs and 20 years for trademarks and is included within administrative expenses.

Property, plant and equipment

Plant, machinery and office equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives using the straight-line method and is included within administrative expenses. The estimated useful lives, residual values and depreciation methods are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The following rates are used for depreciation of leasehold improvements, plant, machinery & office equipment:

Plant, machinery and office equipment

Between 3 and 10 years straight line

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

Impairment of intangible assets

At each reporting date, the Company reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of intangible assets (continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of comprehensive income.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution

Financial instruments

The Company is committed to mitigating financial risk to the extent that it is practical having regard to the size and nature of the organisation. The following policies are operated

- Contracts are negotiated with key suppliers that limit price rises to the growth in the retail price index and for variations in raw material prices.
- The Company maintains positive cash reserves

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables are classified as loans and receivables and are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Financial liabilities and equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Share capital

Ordinary shares issued by the Company are classified as equity and recorded at fair value on initial recognition received net of direct issue costs.

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies

Transactions in currencies other than functional currency of the Company are initially recorded at the exchange rate prevailing on the dates of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in profit and loss for the period, except for exchange differences on non-monetary assets and liabilities, which are recognised directly in other comprehensive income when the changes in fair value are recognised directly in other comprehensive income.

Trade payables

Trade payables are classified as other liabilities and are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Amendments to published standards effective for the year ended 31 March 2016

The following standards and improvements are relevant to the Company and have been adopted during the year:

Annual Improvements to IFRSs 2012-2012 Cycle

Annual Improvements to IFRSs 2011-2013 Cycle

The implementation of these standards and interpretations has not had an impact on the financial statements.

All other amendments to standards that were effective for the period were not relevant to the Company.

Standards adopted early by the Company

The Company has not adopted any standards or interpretations early in either the current or the preceding financial year.

Interpretations to existing standards, new standards and amendments to existing standards that are relevant but are not yet effective and have not been early adopted by the Company

IFRS 9 – Financial Instruments

Amendments to IAS 1 – Disclosure Initiative

Annual Improvements to IFRSs 2012-2014 Cycle

Amendments to IAS16 and IAS38 – Clarification of Acceptable Methods of Depreciation and Amortisation

Amendments to IAS 7 – Disclosure Initiative

Clarifications to IFRS15 – Revenue from Contracts with Customers

The directors anticipate that the adoption of these standards and interpretations in future periods will have no material impact on the financial statements of the Company.

All other interpretations to existing standards, new standards and amendments to existing standards but are not yet effective were not relevant to the Company.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

4. REVENUE

The whole of the revenue is attributable to the one principal activity of the Company being the sale and distribution of nutraceutical products and healthclub memberships. For management purposes, all results are reported as part of this single activity.

An analysis of the Company's revenue is as follows:

	2016 £'000	2015 £'000
Sale of goods	1,132	1,447
UK	734	840
Europe	230	514
Rest of World	168	93
	1,132	1,447

5. FINANCE COSTS

	2016 £'000	2015 £'000
Interest on bank loans	3	1
Interest payable to Group companies	28	20
Other finance costs	-	3
Total finance costs	31	24

6. TAXATION

	2016 £'000	2015 £'000
Corporation tax expense for the year	-	-

Tax is calculated at 20% (2015: 21%) of the estimated assessable profit for the year.

The total charge for the period can be reconciled to the accounting profit as follows:

	2016 £'000	%	2015 £'000	%
Loss before tax	(485)		(196)	
Tax at the corporation tax rate of 20% (2015: 21%)	(97)	20.0	(41)	21.0
Tax effect of group relief	-	-	55	(28.2)
Tax effect of difference between non deductible expenses and capital allowances	2	(0.4)	(5)	2.5
Tax effect of expenses that are not deductible in determining taxable profit	-	-	(9)	4.7
Tax losses carried forward	95	(19.6)	-	-
Tax expense and effective tax rate for the year	-	-	-	-

At 31 March 2016 the Company had unutilised tax losses of £476,000 (2015: £nil), which would give rise to a deferred tax asset of £95,000 (2015: £nil). This asset has not been recognised on the basis that there are insufficient foreseeable taxable profits against which the losses could be utilised.

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

7. LOSS FROM OPERATIONS

	2016 £'000	2015 £'000
Loss for the year has been arrived at after charging:		
Amortisation of intangible assets	30	30
Depreciation of tangible assets	2	1
Staff costs (see note 8)	-	-
Cost of inventories recognised as an expense	609	739
Fees payable to the Company's auditor and its associates in respect of both audit and non-audit services:		
Audit services – Statutory audit of financial statements	5	4
Other services – Taxation services	4	4
Other expenses	936	841
Total cost of sales and administrative expenses	<u>1,586</u>	<u>1,619</u>

8. STAFF COSTS

There were no employees or staff costs during the year, with staff costs being borne by a fellow group undertaking BioCare Limited.

9. INTANGIBLE ASSETS

	Trademarks £'000	Website & Software £'000	Total £'000
Cost			
1 April 2015	7	297	304
Additions	11	-	11
At 31 March 2016	<u>18</u>	<u>297</u>	<u>315</u>
Accumulated amortisation			
1 April 2015	-	46	46
Amortisation for the year	1	29	30
At 31 March 2016	<u>1</u>	<u>75</u>	<u>76</u>
Carrying amount			
At 31 March 2016	<u>17</u>	<u>222</u>	<u>239</u>

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

9. INTANGIBLE ASSETS (CONTINUED)

	Trademarks £'000	Website & Software £'000	Total £'000
Cost			
1 April 2014	7	303	303
Additions	-	1	1
	<hr/>	<hr/>	<hr/>
At 31 March 2015	7	297	304
	<hr/>	<hr/>	<hr/>
Accumulated amortisation			
1 April 2014	-	16	16
Amortisation for the year	-	30	30
	<hr/>	<hr/>	<hr/>
At 31 March 2015	-	46	46
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 March 2015	7	251	258
	<hr/>	<hr/>	<hr/>

10. TANGIBLE ASSETS

	Plant & Machinery £'000	Total £'000
Cost		
At 1 April 2015	11	11
Additions	1	1
	<hr/>	<hr/>
At 31 March 2016	12	12
	<hr/>	<hr/>
Accumulated depreciation		
At 1 April 2015	1	1
Depreciation for the year	2	2
	<hr/>	<hr/>
At 31 March 2016	3	3
	<hr/>	<hr/>
Carrying amount		
At 31 March 2016	9	9
	<hr/>	<hr/>
At 1 April 2015	10	10
	<hr/>	<hr/>

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

10. TANGIBLE ASSETS (CONTINUED)

	Plant & Machinery £'000	Total £'000
Cost		
At 1 April 2014	-	-
Additions	11	11
	<hr/>	<hr/>
At 31 March 2015	11	11
	<hr/>	<hr/>
Accumulated depreciation		
At 1 April 2014	-	-
Depreciation for the year	1	1
	<hr/>	<hr/>
At 31 March 2015	1	1
	<hr/>	<hr/>
Carrying amount		
At 31 March 2015	10	10
	<hr/>	<hr/>
At 1 April 2014	-	-
	<hr/>	<hr/>

11. INVENTORIES

	2016 £'000	2015 £'000
Finished Goods	286	323
	<hr/>	<hr/>

Inventories with a carrying value of £22,000 (2015: £nil) were written down to £nil (2015: £nil).

The Company has pledged all inventories as security to the Company's banking facilities.

12. TRADE AND OTHER RECEIVABLES

	2016 £'000	2015 £'000
Amounts receivable from sale of goods	96	197
Other receivables	45	42
	<hr/>	<hr/>
Trade and other receivables	141	239
Other taxation	-	43
	<hr/>	<hr/>
	141	282
	<hr/>	<hr/>

The directors consider that the carrying amount of trade and other receivables approximates their fair value.

There are no amounts receivable from the sale of goods that were past due at 31 March 2016, but not impaired. Amounts totalling £72,000 (2015: £nil) were impaired at 31 March 2016.

The Company has pledged all trade receivables as security to the Company's banking facilities.

All trade and other receivables are denominated in sterling.

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

13. OTHER FINANCIAL ASSETS

Cash and cash equivalents

Cash and cash equivalents of £13,000 (2015: £20,000) comprise cash held by the Company and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

Credit risk

The Company's principal financial assets are bank balances and cash, trade and other receivables.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The Company has no other significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

14. FINANCIAL RISK MANAGEMENT

The Company's activities expose the Company to a number of risks including market risk (foreign currency risk and interest rate risk), credit risk and liquidity risk. The Company manages these risks through an effective risk management program.

Exposures to financial risks are monitored and assessed by management and reported on a monthly basis. Any significant exposure is reported to the Board and discussed at Board meetings to ensure that the risk mitigation procedures are compliant with the Company policy and that any new risks are appropriately managed.

Liquidity risk

The Company closely monitors its access to bank and other credit facilities in comparison to its outstanding commitments on a regular basis to ensure that it has sufficient funds to meet the obligations of the Company as they fall due.

The Board receives regular forecasts which estimate the cash flows over the next eighteen months, so that management can ensure that sufficient financing is in place as it is required.

Maturity analysis

The tables below analyses the Company's financial assets and liabilities on a contractual gross undiscounted cash flow basis into maturity groupings based on period outstanding at the reporting date up to the contractual maturity date.

2016	Less than 6 months £'000	Between 6 months and 1 year £'000	Between 1 to 5 years £'000	Over 5 years £'000	Total £'000
Assets					
Trade and other receivables	141	-	-	-	141
Liabilities					
Trade and other payables	86	-	-	-	86
Amounts payable to Group companies	1,373	-	-	-	1,373
Bank loans	59	-	-	-	59
	1,518	-	-	-	1,518

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

14. FINANCIAL RISK MANAGEMENT (CONTINUED)

2015	Less than 6 months £'000	Between 6 months and 1 year £'000	Between 1 to 5 years £'000	Over 5 years £'000	Total £'000
Assets					
Trade and other receivables	239	-	-	-	239
Liabilities					
Trade and other payables	234	-	-	-	234
Amounts payable to Group companies	901	-	-	-	901
Bank loans	103	-	-	-	103
	1,238	-	-	-	1,238

The Company would normally expect that sufficient cash is generated in the operating cycle to meet the contractual cash flows as disclosed above through effective cash management.

Interest rate risk

The Company's interest rate exposure is limited to bank loans and interest earned on cash balances.

The Company enters into intercompany loans with other trading Group companies and its parent company. Interest is charged at 2.0% plus base rate.

The table below shows the Company's financial assets and liabilities split by those bearing fixed and floating rates and those that are non-interest bearing.

2016	Fixed Rate £'000	Floating Rate £'000	Non- interest bearing £'000	Total £'000
Cash and cash equivalents	-	13	-	13
Trade and other receivables	-	-	141	141
	-	13	141	154
Trade and other payables	-	-	86	86
Amounts payable to Group companies	-	1,373	-	1,373
Bank loans	-	59	-	59
Trade and other payables	-	1,432	86	1,518

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

14. FINANCIAL RISK MANAGEMENT (CONTINUED)

2015	Fixed Rate £'000	Floating Rate £'000	Non- interest bearing £'000	Total £'000
Cash and cash equivalents	-	20	-	20
Trade and other receivables	-	-	239	239
	-	20	239	259
Trade and other payables	-	-	234	234
Amounts payable to Group companies	-	901	-	901
Bank loans	-	103	-	103
Trade and other payables	-	1,004	234	1,238

Credit risk exposure

Credit risk predominantly arises from trade receivables.

Credit exposure is managed by assessing the credit quality of each customer internally before accepting any terms of trade. Internal procedures are performed taking into account their financial position as well as their reputation within the industry and past experience.

The Company's maximum exposure to credit risk, gross of any collateral held, relating to its financial assets is equivalent to their carrying value as disclosed below. All financial assets have a fair value which is equal to their carrying value.

	2016 £'000	2015 £'000
<i>Maximum exposure to credit risk</i>		
Trade and other receivables	141	239
Cash and cash equivalents	13	20
	154	259

Capital management

The Company's main objective when managing capital is to protect returns to shareholders by ensuring the Company will continue to trade profitably in the foreseeable future. The Company also aims to maximise its capital structure of debt and equity so as to minimise its cost of capital.

The Company manages its capital with regard to the risks inherent in the business and the sector within which it operates by monitoring its gearing ratio on a regular basis.

Net debt includes short and long-term borrowings net of cash and cash equivalents (see note 21).

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

15. SHARE CAPITAL

	2016 £'000	2015 £'000
Authorised:		
99,000 ordinary A shares of £0.01 each	1	1
1,000 ordinary B shares of £0.01 each	-	-
	<u>1</u>	<u>1</u>
Issued and fully paid:		
9,000 ordinary A shares of £0.01 each	-	-
1,000 ordinary B shares of £0.01 each	-	-
	<u>-</u>	<u>-</u>

The Company has two classes of shares which carry no right to fixed income.

The ordinary B shares may only be issued to employees of the Company, and the Board may, at its discretion, declare a dividend independently of the other classes of share. Holders of ordinary B shares have an option to require the holders of the ordinary A shares to purchase their shares, based on total company valuation of the EBITDA of the Company in the year ended 31 March 2017, multiplied by 6.

On 28 November 2016, Brunel Healthcare Manufacturing Limited became the 100% shareholder in the Company.

16. RETAINED EARNINGS

	£'000
At 1 April 2014	(149)
Loss for the period attributable to equity holders	<u>(196)</u>
At 1 April 2015	(345)
Loss for the period attributable to equity holders	<u>(485)</u>
At 31 March 2016	<u>(830)</u>

All reserves represent retained earnings from current and prior years.

17. TRADE AND OTHER PAYABLES

	2016 £000	2015 £000
Amounts payable relating to the purchase of goods and services	54	155
Other payables	<u>32</u>	<u>79</u>
Trade and other payables	86	234
Amounts payable to Group companies	<u>1,373</u>	<u>901</u>
	<u>1,459</u>	<u>1,135</u>

Trade payables, accruals and other creditors principally comprise amounts outstanding for trade purchases and ongoing costs.

The directors consider that the carrying amount of trade payables approximates their fair value.

All trade and other payables are denominated in sterling.

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

18. BANK LOANS

	2016 £000	2015 £000
Bank loans	59	103

The borrowings are repayable as follows:

Due within one year	59	103
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The effective average interest paid rate was as follows:

	2016 £000	2015 £000
Accounts Receivable (Floating rate + base rate)	2.40%	2.40%

The loan facility is secured on a fixed and floating charge over the Company's assets.

19. CONTINGENT LIABILITIES

Natural Wellbeing Limited and other Group companies have entered loan facilities with RBS Invoice Finance Limited, National Westminster Bank plc and Lombard North Central plc, as a result of which there is a fixed and floating charge over the assets of the Company. The maximum exposure at 31 March 2016 for the other amounts owed by Group companies is £11,202,000 (2015: £10,275,000).

20. RECONCILIATION OF LOSS FROM OPERATIONS TO CASH FLOW FROM OPERATING ACTIVITIES

	2016 £000	2015 £000
Loss from operations	(454)	(172)
Decrease/(Increase) in inventory	37	(42)
Decrease/(Increase) in receivables	141	(103)
(Decrease)/Increase in payables	(148)	96
Amortisation	30	30
Depreciation	2	1
Cash flow from operating activities	(392)	(190)

21. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2015 £000	Change in net debt £000	Non-cash movements £000	At 31 March 2016 £000
Amounts payable to Group companies	901	444	28	1,373
Bank loans	103	(44)	-	59
Less cash and cash equivalents	(20)	7	-	(13)
Net debt	984	407	28	1,419

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

22. RELATED PARTY TRANSACTIONS AND ULTIMATE CONTROLLING PARTY

At 31 March 2016 the immediate parent undertaking was NutraHealth plc (incorporated in England), and the Company's ultimate parent undertaking was Elder Pharmaceuticals Limited (incorporated in India), which was also the parent undertaking of the largest group for which the company is a member.

At 31 March 2016 Elder International FZCO (incorporated in Dubai) was the parent undertaking of the smallest group for which accounts were drawn up, and which the company was a member.

Subsequent to the year end, the Company's parent undertaking became Brunel Healthcare Manufacturing Limited (see note 23), and its ultimate parent became AD Global EOOD (incorporated in Bulgaria). The ultimate controlling party, being the sole shareholder of AD Global EOOD, is Debanjan Hazra.

Transactions between the Company and its parent company and companies under common control, which are related parties of the Company, are disclosed below.

	At 1 April 2015 £000	Transaction Flows £000	At 31 March 2016 £000
BioCare Limited	(317)	(400)	(717)
Brunel Healthcare Manufacturing Limited	(572)	(84)	(656)
NutraHealth Plc	(12)	12	-
Balance	(901)	(472)	(1,373)

Details of transactions between the Company and other related parties for the year ended 31 March 2016 and the year ended 31 March 2015 are disclosed below.

2016	Sales of Goods/ Services £000	Purchases of Goods/ Services £000	Cash (borrowed) /loaned £000	Interest receivable /(charged) £000	Amounts Owed by Related Parties £000	Amounts Owed to Related Parties £000
AhHa Publications Limited	-	(25)	25	-	-	-
BioCare Limited	28	(20)	(395)	(13)	-	717
Brunel Healthcare Manufacturing Limited	21	(90)	-	(15)	-	656
NutraHealth Plc	-	-	12	-	-	-
	49	(135)	(358)	(28)	-	1,373

2015	Sales of Goods/ Services £000	Purchases of Goods/ Services £000	Cash (borrowed) /loaned £000	Interest receivable /(charged) £000	Amounts Owed by Related Parties £000	Amounts Owed to Related Parties £000
AhHa Publications Limited	-	(40)	40	-	-	-
BioCare Limited	-	(16)	(1)	(9)	-	317
Brunel Healthcare Manufacturing Limited	50	(225)	96	(11)	-	572
NutraHealth Plc	-	-	(12)	-	-	12
	50	(281)	123	(20)	-	901

NATURAL WELLBEING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2016

22. RELATED PARTY TRANSACTIONS AND ULTIMATE CONTROLLING PARTY (CONTINUED)

Related party balances are unsecured and are expected to be settled in cash.

Compensation of key management personnel

The remuneration of the directors, who are the key management personnel of the Company, was borne by a fellow group undertaking BioCare Limited.

23. POST BALANCE SHEET EVENTS

On 15 November 2016, NutraHealth plc released the Company from its loan obligations at that date of £14,000.

On 28 November 2016, Brunel Healthcare Manufacturing Limited became the 100% shareholder in the Company.