

240020/20

Company No. FC023851
Branch No. BR006542
England and Wales

AU NATUREL (UK), INC.
ANNUAL STATEMENT OF ACCOUNTS
SEPTEMBER 30, 2020



Au Naturel (UK), Inc.**Balance Sheet**

	Note	As of September 30, 2020	As of September 30, 2019
Fixed assets, net			
Tangible assets, net	3	£ 515,775	£ 535,394
Other non-current assets			
Other non-current assets		-	-
Current assets			
Cash at bank and in hand	2	377,252	100,916
Accounts receivable	2	380,076	177,680
Inventories	2	281,216	223,940
Prepaid expenses and other current assets		9,738	9,980
		1,048,282	512,516
Creditors: amounts falling due within one year	4	(107,886)	(42,211)
Net current assets		940,396	470,305
Total assets less current liabilities		1,456,172	1,005,699
Creditors: amounts falling due after more than one year	4	(940,707)	(593,221)
Net assets		£ 515,465	£ 412,478
Capital and reserves			
Share capital		£ 10	£ 10
Foreign currency revaluation		(1,928)	(6,219)
Retained Earnings		517,383	418,687
Shareholders' funds		£ 515,465	£ 412,478

Kurt A. Jones
June 29, 2021

Au Naturel (UK), Inc.

Profit and Loss

	For the Period October 1, 2019 Through September 30, 2020	For the Period October 1, 2018 Through September 30, 2019
Turnover - continuing operations	£ 839,931	£ 531,764
Cost of sales	<u>(346,923)</u>	<u>(235,479)</u>
Gross profit	493,008	296,285
Selling, general and administrative expenses	<u>(394,312)</u>	<u>(458,803)</u>
Operating profit (loss)	98,696	(162,518)
Taxation	<u>-</u>	<u>-</u>
Profit (loss) for period after taxation	98,696	(162,518)
Dividends	<u>-</u>	<u>-</u>
Retained profit (loss)	<u>£ 98,696</u>	<u>-£ 162,518</u>

Au Naturel (UK), Inc.
Notes to the Accounts for the Period Ended September 30, 2020

1. Description of Business

Au Naturel (UK), Inc. (the "Company") is a distributor and marketer of quality branded nutritional supplements sold to health and natural food stores. The Company was established as a branch in England and Wales in April of 2002.

2. Summary of Significant Accounting Policies

Cash – Substantially all of the Company's cash was held by one bank at September 30, 2020. The Company does not believe that, as a result of this concentration, it is subject to any unusual financial risk beyond the normal risk associated with commercial banking relationships.

Inventories – Inventories included freight-in, materials, labor and overhead costs were stated at the lower of cost or market, cost being determined by a moving weighted average.

Property, Plant and Equipment – Property, plant and equipment were stated at cost, less accumulated depreciation and amortization. Depreciation and amortization were provided using the straight-line method over the estimated useful lives of the respective assets. Expenditures for renewals and betterments were capitalized, while maintenance and repairs were charged to operations in the periods incurred. Upon sale or disposal of an asset, the historical cost and related accumulated depreciation or amortization of such asset were removed from their respective accounts and any gain or loss was recorded in the Profit and Loss Statement.

Foreign Currency Translation – Generally, transactions of the Company are initially recorded in British Pounds ("GBP"). Balance sheet transactions occurring in currencies other than GBP are translated into GBP at period-end exchange rates. Income and expense items are translated at average exchange rates prevailing during the period. The resulting translation adjustments are recorded as a component of stockholders' equity.

Turnover – Turnover represents net invoiced sales of goods, excluding VAT. A sale was recognized upon shipment of merchandise to a customer. At the time of sale, a provision was made for estimated customer returns and allowances.

Research and Development – The Company expensed research and development costs as incurred.

Advertising – The Company expenses advertising costs as incurred.

Au Naturel (UK), Inc.
Notes to the Accounts for the Period Ended September 30, 2020

3. Tangible assets, net

Tangible assets, net, were comprised of the following:

	Estimated Useful Life In Years	As of September 30, 2020	As of September 30, 2019
Freehold Land	-	£ 150,651	£ 150,651
Freehold Building	30	533,587	533,587
Furniture, fixtures and equipment	3-5	120,931	120,620
		<u>805,169</u>	<u>804,858</u>
Less accumulated depreciation and amortization		<u>(289,393)</u>	<u>(269,464)</u>
		<u>£ 515,775</u>	<u>£ 535,394</u>

4. Creditors

The amounts falling due after more than one year represented loans from a related party to establish operations and fund working capital needs.

	As of September 30, 2020	As of September 30, 2019
Amounts falling due within one year:		
Other creditors	£ 107,887	£ 42,211
Amounts falling due after more than one year:		
Related party	<u>940,706</u>	<u>593,221</u>
	<u>£ 1,048,593</u>	<u>£ 635,432</u>