

Abbreviated Accounts
for the year ended
31 December 2005
for
Ellisons Holdings Limited
(formerly Supreme Organics Limited)



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for the year ended 31 December 2005

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DIRECTORS:

J Heath
Mrs P L Heath

SECRETARY:

Mrs P L Heath

REGISTERED OFFICE:

43 Bayton Road
Exhall
Coventry
CV7 9EF

REGISTERED NUMBER:

899935 (England and Wales)

AUDITORS:

Nicklin LLP
Church Court
Stourbridge Road
Halesowen
West Midlands
B63 3TT

The directors present their report with the accounts of the company for the year ended 31 December 2005.

CHANGE OF NAME

The company passed a special resolution on 15 February 2006 changing its name from Supreme Organics Limited to Ellisons Holdings Limited.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the manufacture and distribution of hairdressing and beauty-care products.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed accounts.

DIVIDENDS

The company has paid a final dividend for the year of £50,000 in respect of its 'A' Ordinary shares.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the accounts.

DIRECTORS

The directors during the year under review were:

J Heath
Mrs P L Heath

The beneficial interests of the directors holding office on 31 December 2005 in the issued share capital of the company were as follows:

	31.12.05	1.1.05
--	----------	--------

'A' Ordinary £1 shares

J Heath	932	932
Mrs P L Heath	987	987

In accordance with the Articles of Association, P L Heath will retire at the forthcoming Annual General Meeting, and being eligible, will stand for re-election.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which 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 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;
- 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 them 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Ellisons Holdings Limited

Report of the Directors
for the year ended 31 December 2005

AUDITORS

Following the merger of Hardeman Smith & Power with Nicklin & Co and the subsequent conversion to a limited liability partnership, Hardeman Smith & Power have resigned as auditors and the directors have appointed Nicklin LLP to fill the casual vacancy created by the resignation. A resolution for the re-appointment of Nicklin LLP as auditors to the company will be proposed at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'Pamela Heath', written over a dotted line.

Mrs P L Heath - Secretary

Date: 19/5/06

Report of the Independent Auditors to
Ellisons Holdings Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages five to sixteen, together with the financial statements of Ellisons Holdings Limited for the year ended 31 December 2005 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

Nicklin LLP

Nicklin LLP
Church Court
Stourbridge Road
Halesowen
West Midlands
B63 3TT

Date: *1st June 2006*

Ellisons Holdings Limited

Abbreviated Profit and Loss Account
for the year ended 31 December 2005

		2005	2004
	Notes	£	£
GROSS PROFIT		434,794	217,022
Administrative expenses		299,399	248,583
OPERATING PROFIT/(LOSS)	3	135,395	(31,561)
Interest receivable and similar income		3,746	12,109
		139,141	(19,452)
Interest payable and similar charges	4	31,234	7,824
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		107,907	(27,276)
Tax on profit/(loss) on ordinary activities	5	21,152	5,109
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		86,755	(32,385)
Retained profit brought forward		481,024	513,409
		567,779	481,024
Dividends	6	(50,000)	-
RETAINED PROFIT CARRIED FORWARD		<u>£517,779</u>	<u>£481,024</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

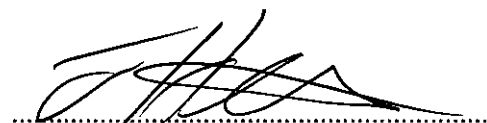
The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

Abbreviated Balance Sheet
31 December 2005

	Notes	2005		2004	
		£	£	£	£
FIXED ASSETS:					
Intangible assets	7		276,921		369,228
Tangible assets	8		125,722		148,310
Investments	9		308,622		308,620
			<u>711,265</u>		<u>826,158</u>
CURRENT ASSETS:					
Stocks	10	266,639		163,676	
Debtors	11	157,333		58,848	
Cash at bank		<u>44,866</u>		<u>61,611</u>	
		468,838		284,135	
CREDITORS: Amounts falling due within one year	12	<u>341,119</u>		<u>195,661</u>	
NET CURRENT ASSETS:			<u>127,719</u>		<u>88,474</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			838,984		914,632
CREDITORS: Amounts falling due after more than one year	13		(311,684)		(421,676)
PROVISIONS FOR LIABILITIES:	16		<u>(6,890)</u>		<u>(9,301)</u>
			<u>£520,410</u>		<u>£483,655</u>
CAPITAL AND RESERVES:					
Called up share capital	17		1,919		1,919
Capital redemption reserve	18		712		712
Profit and loss account			<u>517,779</u>		<u>481,024</u>
SHAREHOLDERS' FUNDS:	20		<u>£520,410</u>		<u>£483,655</u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:



J Heath - Director

Approved by the Board on 19.05.06

Cash Flow Statement
for the year ended 31 December 2005

		2005	2004
	Notes	£	£
Net cash inflow from operating activities	1	180,737	115,176
Returns on investments and servicing of finance	2	(27,488)	4,285
Taxation		-	(13,377)
Capital expenditure and financial investment	2	(10,002)	(572,348)
Equity dividends paid		(50,000)	-
		93,247	(466,264)
Financing	2	(109,992)	531,668
(Decrease)/Increase in cash in the period		£(16,745)	£65,404

Reconciliation of net cash flow to movement in net funds

	3		
(Decrease)/Increase in cash in the period		(16,745)	65,404
Change in net funds resulting from cash flows		(16,745)	65,404
Movement in net funds in the period		(16,745)	65,404
Net funds/(debt) at 1 January		61,611	(3,793)
Net funds at 31 December		£44,866	£61,611

Notes to the Cash Flow Statement
for the year ended 31 December 20051. **RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2005 £	2004 £
Operating profit/(loss)	135,395	(31,561)
Depreciation charges	122,845	124,616
Loss on sale of fixed assets	2,550	-
Profit on sale of fixed assets	(500)	-
(Increase)/Decrease in stocks	(102,963)	208,696
(Increase)/Decrease in debtors	(98,485)	85,324
Increase/(Decrease) in creditors	121,895	(271,899)
Net cash inflow from operating activities	<u>180,737</u>	<u>115,176</u>

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2005 £	2004 £
Returns on investments and servicing of finance		
Interest received	3,746	12,109
Interest paid	(31,234)	(7,824)
Net cash (outflow)/inflow for returns on investments and servicing of finance	<u>(27,488)</u>	<u>4,285</u>
Capital expenditure and financial investment		
Purchase of intangible fixed assets	-	(461,757)
Purchase of tangible fixed assets	(10,500)	(110,591)
Purchase of investments	(2)	-
Sale of tangible fixed assets	500	-
Net cash outflow for capital expenditure	<u>(10,002)</u>	<u>(572,348)</u>
Financing		
New loan taken out in year	-	550,000
Loan repayments in year	(109,992)	(18,332)
Net cash (outflow)/inflow from financing	<u>(109,992)</u>	<u>531,668</u>

Notes to the Cash Flow Statement
for the year ended 31 December 2005

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.05 £	Cash flow £	At 31.12.05 £
Net cash:			
Cash at bank	<u>61,611</u>	<u>(16,745)</u>	<u>44,866</u>
	<u>61,611</u>	<u>(16,745)</u>	<u>44,866</u>
 Total	 <u>61,611</u>	 <u>(16,745)</u>	 <u>44,866</u>
Analysed in Balance Sheet			
 Cash at bank	 <u>61,611</u>		 <u>44,866</u>
	<u>61,611</u>		<u>44,866</u>

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Intangible fixed assets

Goodwill, being the amount paid in connection with the acquisition of a business in 2004, is being written off evenly over its estimated useful life of five years.

The cost of patents and trademarks acquired during the year are being written off evenly over their estimated useful lives of five years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- Straight line over 5 to 10 years
Office and computer equipment	- Straight line over 10 years
Fixtures and fittings	- Straight line over 10 years
Motor vehicles	- Straight line over 5 years
Office and computer equipment	- Straight line over 3 years

Stocks

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

2. STAFF COSTS

	2005 £	2004 £
Wages and salaries	194,501	152,550
Social security costs	18,834	15,136
Other pension costs	4,548	4,497
	<u>217,883</u>	<u>172,183</u>

The average monthly number of employees during the year was as follows:

	2005	2004
Sales and administration	<u>9</u>	<u>8</u>

Notes to the Abbreviated Accounts
for the year ended 31 December 2005

3. **OPERATING PROFIT/(LOSS)**

The operating profit (2004 - operating loss) is stated after charging/(crediting):

	2005 £	2004 £
Hire of plant and machinery	-	406
Depreciation - owned assets	30,538	32,087
Loss on disposal of fixed assets	2,050	-
Goodwill written off	60,234	60,210
Patents and trademarks written off	32,073	32,319
Auditors' remuneration	5,380	3,725
Foreign exchange differences	(160)	(16,710)
	<u> </u>	<u> </u>
Directors' emoluments	-	-
	<u> </u>	<u> </u>

4. **INTEREST PAYABLE AND SIMILAR CHARGES**

	2005 £	2004 £
Bank loan interest	30,438	7,824
Interest on taxation	796	-
	<u> </u>	<u> </u>
	31,234	7,824
	<u> </u>	<u> </u>

5. **TAXATION**

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2005 £	2004 £
Current tax:		
UK corporation tax	23,563	-
Deferred taxation	(2,411)	5,109
	<u> </u>	<u> </u>
Tax on profit/(loss) on ordinary activities	21,152	5,109
	<u> </u>	<u> </u>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2005 £	2004 £
Profit/(loss) on ordinary activities before tax	107,907	(27,276)
	<u> </u>	<u> </u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2004 - 19%)	32,372	(5,182)
Effects of:		
Expenses not deductible for tax purposes	706	462
Excess of depreciation over capital allowances	1,102	(4,399)
Marginal rate relief	(10,617)	-
Group relief	-	9,119
	<u> </u>	<u> </u>
Current tax charge	23,563	-
	<u> </u>	<u> </u>

Notes to the Abbreviated Accounts
for the year ended 31 December 2005

6. **DIVIDENDS**

	2005 £	2004 £
Equity shares:		
'A' Ordinary shares of £1 each		
Final	50,000	-
	<u>50,000</u>	<u>-</u>

7. **INTANGIBLE FIXED ASSETS**

	Goodwill £	Patents and trademarks £	Totals £
COST:			
At 1 January 2005			
and 31 December 2005	301,146	160,611	461,757
AMORTISATION:			
At 1 January 2005	60,210	32,319	92,529
Charge for year	60,234	32,073	92,307
At 31 December 2005	120,444	64,392	184,836
NET BOOK VALUE:			
At 31 December 2005	180,702	96,219	276,921
At 31 December 2004	240,936	128,292	369,228

8. **TANGIBLE FIXED ASSETS**

	Plant and machinery £	Office and computer equipment £	Motor vehicles £	Totals £
COST:				
At 1 January 2005	265,102	4,270	4,250	273,622
Additions	10,500	-	-	10,500
Disposals	(9,013)	-	(4,250)	(13,263)
At 31 December 2005	266,589	4,270	-	270,859
DEPRECIATION:				
At 1 January 2005	119,342	4,270	1,700	125,312
Charge for year	30,538	-	-	30,538
Eliminated on disposals	(9,013)	-	(1,700)	(10,713)
At 31 December 2005	140,867	4,270	-	145,137
NET BOOK VALUE:				
At 31 December 2005	125,722	-	-	125,722
At 31 December 2004	145,760	-	2,550	148,310

9. **FIXED ASSET INVESTMENTS**

	£	
COST:		
At 1 January 2005	308,620	
Additions	2	
	<hr/>	
At 31 December 2005	308,622	
	<hr/>	
NET BOOK VALUE:		
At 31 December 2005	308,622	
	<hr/>	
At 31 December 2004	308,620	
	<hr/>	
	2005	2004
	£	£
Unlisted investments	308,622	308,620

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

E A Ellison & Co Limited

Country of incorporation: England and Wales

Nature of business: Hairdressing and beauty products.

	% holding	2005	2004
		£	£
Class of shares:			
Ordinary	96.67	1,969,837	1,674,369
Ordinary 'B'	100.00	295,468	238,110
		<hr/>	<hr/>
Aggregate capital and reserves			
Profit for the year			

Supreme Organics Limited (formerly Ellisons Holdings Limited)

Country of incorporation: England and Wales

Nature of business: Dormant

	% holding	2005
		£
Class of shares:		
Ordinary	100.00	2
		<hr/>
Aggregate capital and reserves		

On 15 February 2006, Ellisons Holdings Limited passed a special resolution changing its name to Supreme Organics Limited.

10. **STOCKS**

	2005	2004
	£	£
Stock	266,639	163,676
	<hr/>	<hr/>

Notes to the Abbreviated Accounts
for the year ended 31 December 2005

11. **DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2005 £	2004 £
Trade debtors	54,185	22,038
Other debtors	19,789	15,426
Prepayments	1,274	220
Amounts owed by group undertakings	82,085	21,164
	<u>157,333</u>	<u>58,848</u>

12. **CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2005 £	2004 £
Bank loans and overdrafts (see note 14)	109,992	109,992
Trade creditors	100,538	53,981
Directors' current accounts	50,000	-
Other creditors	36,510	16,054
Social security & other taxes	8,532	7,662
Amounts owed to group undertakings	4,162	-
Taxation	23,563	-
Accrued expenses	7,822	7,972
	<u>341,119</u>	<u>195,661</u>

13. **CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2005 £	2004 £
Bank loans (see note 14)	<u>311,684</u>	<u>421,676</u>

14. **LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	2005 £	2004 £
Amounts falling due within one year or on demand:		
Bank loans	<u>109,992</u>	<u>109,992</u>
Amounts falling due between two and five years:		
Bank loans	<u>311,684</u>	<u>421,676</u>

15. OPERATING LEASE COMMITMENTS

The following payments are committed to be paid within one year:

	Operating leases	
	2005 £	2004 £
Expiring: Within one year	<u>6,052</u>	<u>6,052</u>

16. PROVISIONS FOR LIABILITIES

	2005 £	2004 £
Deferred tax	<u>6,890</u>	<u>9,301</u>

	Deferred tax £
Balance at 1 January 2005	9,301
Accelerated capital allowances	<u>(2,411)</u>
Balance at 31 December 2005	<u>6,890</u>

	2005 £	2004 £
Deferred tax provision	<u>6,890</u>	<u>9,301</u>
Accelerated capital allowances	<u>6,890</u>	<u>9,301</u>

17. CALLED UP SHARE CAPITAL

Authorised: Number:	Class:	Nominal value:	2005 £	2004 £
369	Ordinary	£1	369	369
1,919	'A' Ordinary	£1	<u>1,919</u>	<u>1,919</u>
			<u>2,288</u>	<u>2,288</u>

Allotted, issued and fully paid: Number:	Class:	Nominal value:	2005 £	2004 £
1,919	'A' Ordinary	£1	<u>1,919</u>	<u>1,919</u>

18. CAPITAL REDEMPTION RESERVE

	2005 £	2004 £
Brought forward	<u>712</u>	<u>712</u>

19. **POST BALANCE SHEET EVENTS**

On 15 February 2006, an agreement was signed transferring the business and assets of Supreme Organics Limited as at the close of business on 31 December 2005 to its subsidiary undertaking, Ellisons Holdings Limited. The consideration for the sale comprised an amount equal to the net assets of Supreme Organics Limited as shown by the company's balance sheet at 31 December 2005. Following the sale, Supreme Organics Limited changed its name to Ellisons Holdings Limited and Ellisons Holdings Limited changed its name to Supreme Organics Limited.

20. **RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2005 £	2004 £
Profit/(Loss) for the financial year	86,755	(32,385)
Dividends	(50,000)	-
Net addition/(reduction) to shareholders' funds	<u>36,755</u>	<u>(32,385)</u>
Opening shareholders' funds	483,655	516,040
Closing shareholders' funds	<u><u>520,410</u></u>	<u><u>483,655</u></u>
Equity interests	<u><u>520,410</u></u>	<u><u>483,655</u></u>

21. **CONTROLLING INTEREST**

The company is under the control of J and P L Heath who through trusts and personal holdings hold all of the company's issued share capital.