

AVT NATURAL EUROPE LIMITED

COMPANY REGISTRATION NUMBER : 08176881

FILLETED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2025

**2 Calico House
Clove Hitch Quay
Plantation Wharf
LONDON
SW11 3TN**

AVT NATURAL EUROPE LIMITED

CONTENTS

FOR THE YEAR ENDING 31 MARCH 2025

CONTENTS	PAGE
Company information	1
Statement of financial position	2
Notes to the financial statements	3 - 8

AVT NATURAL EUROPE LIMITED**COMPANY INFORMATION**FOR THE YEAR ENDING 31 MARCH 2025

Directors:	Mr. Richard Darlington Mr. Ajit Thomas Mr. Murugappa Arunachalam Alagappan
Company No:	08176881 (England and Wales)
Company Name:	AVT Natural Europe Limited
Registered Office:	2 Calico House Clove Hitch Quay Plantation Wharf London SW11 3TN
Holding Company:	AVT Natural Products Ltd S. Vazhakulam Marampilly Post Aluva Kerala 683105 India
Auditors:	Reza Samii Chartered Accountant and Statutory Auditor 5 Calico Row Plantation Wharf London SW11 3YH
Bankers:	HSBC Bank Plc 240 Lavender Hill Clapham Junction London SW11 1LH

AVT NATURAL EUROPE LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	31 March 2025		31 March 2024	
		\$	\$	\$	\$
FIXED ASSETS					
Tangible assets	4		1,462		134
Investment	5		60,000		60,000
CURRENT ASSETS					
Stocks		1,787,428		3,003,791	
Debtors	6	3,051,352		2,425,731	
Cash at bank and in hand		1,888,761		873,829	
		<u>6,727,541</u>		<u>6,303,351</u>	
CREDITORS : Amounts falling due within one year	7	(4,056,242)		(3,888,287)	
NET CURRENT ASSETS / (LIABILITIES)			<u>2,671,300</u>		<u>2,415,064</u>
NET ASSETS / (LIABILITIES)			<u>2,732,762</u>		<u>2,475,198</u>
CAPITAL AND RESERVES:					
Called up shared capital			2,197,842		2,197,842
Profit and loss account			534,920		277,356
Equity shareholders' funds / (deficits)			<u>2,732,762</u>		<u>2,475,198</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 30 April 2025 and are signed on behalf of the board by:

Mr. Richard Darlington..........Director

Company No 08176881 (England and Wales)

The Notes form part of these accounts

AVT NATURAL EUROPE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDING 31 MARCH 2025

1 GENERAL INFORMATION:-

The company is a wholly owned subsidiary of AVT Natural Products Limited, a company incorporated in India and listed on Bombay Stock Exchange and the National Stock Exchange of India.

The registered address of AVT Natural Europe Limited is: 2 Calico House, Clove Hitch Quay, Plantation Wharf London SW11 3TN.

STATEMENT OF COMPLIANCE:

These financial statements have been prepared in accordance with FRS 102, Section 1A, - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

ACCOUNTING POLICIES:-

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company accounts.

a) BASIS OF PREPARATION:

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit and loss account.

The financial statements have been prepared in US Dollar, which is the functional currency of the entity with all income and direct costs being invoiced in US Dollar.

b) CONSOLIDATION:

The company is exempt from the requirement to produce consolidated accounts on the basis that the company is a wholly owned subsidiary of AVT Natural Products Limited and its accounts are included in the consolidated accounts of the parent company.

c) TURNOVER:

Turnover is stated net of VAT and trade discounts. Turnover from the sale of goods is recognized when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date turnover represents the value of services provided to date based on a proportion of the total contract value. Where payments are received in advance of services provided, the amounts are recorded as Deferred Income and included as part of Creditors due within one year.

AVT NATURAL EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 MARCH 2025

d) STOCKS:

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell and after making due allowance for obsolete and slow moving items.

Goods in transit to the company are not recognized in stock unless title for goods has passed to the company. Contracted liabilities associated with the purchase of goods in transit are recognized in trade creditors where it is deemed that the title has passed to the company.

e) TANGIBLE FIXED ASSETS:

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold improvements	- 33% straight line (lease expires on 20.03.2025)
Fixtures and fittings	- 33.33 % straight line
Office equipment	- 33.33 % straight line

f) OPERATING LEASE AGREEMENTS:

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit on straight line and accrual basis over the period of the lease.

g) PENSION COSTS:

The company operates a defined contribution pension scheme for the employees. The assets for the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

h) DEFERRED TAXATION:

Deferred tax is recognized in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions;-

Deferred tax assets are recognized only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date.

AVT NATURAL EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 MARCH 2025

i) FOREIGN CURRENCY TRANSLATION:

The financial statements are presented in US Dollars, which is also the functional currency of the Company.

The financial statements are presented in US Dollars, which is also the functional currency of the Company. Transactions in currencies, other than the functional currency of the Company, are recorded at the rate of exchange on the date the transaction occurred. Monetary items denominated in other currencies are translated at the rate prevailing at the end of the reporting period. All differences are taken to the statement of comprehensive income. Non-monetary items that are measured at historic cost in a foreign currency are not retranslated.

The US \$ exchange rate used versus Sterling were as follows ; -

The year end exchange rate : £ = 1.2910 US \$ (2024: £=1.263 US\$).

The average exchange rate for year ending 31st March 2025 : £ = 1.2777 US \$ (2024: £ = 1.2575 US\$).

j) HOLIDAY PAY ACCRUAL:

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2 . AUDITORS REMUNERATION : -

	\$ 31.03.2025	\$ 31.03.2024
Fees payable to Reza Samii :		
Fees payable for the audit of the financial statements	<u>7,960</u>	<u>6,338</u>
Fees payable to the company's auditor and its associates for other services:		
Taxation compliance services	3,268	2,594
Other non-audit services	<u>10,420</u>	<u>8,270</u>
	<u>13,688</u>	<u>10,864</u>

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the quarterly management and year end financial statements.

3 . EMPLOYEE NUMBERS:-

	31.03.2025 Number	31.03.2024 Number
The average monthly number of employees during the year was:		
Selling, distribution and administration	2	2
Management - directors	<u>3</u>	<u>3</u>
	<u>5</u>	<u>5</u>

AVT NATURAL EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 MARCH 2025

4 .TANGIBLE FIXED ASSETS:-	Office Equipment \$	Fixtures & fittings \$	Total \$
Cost or valuation:			
Balance as at 01.04.2024	11,535	844	12,379
Eliminated in respect of disposals	(3,579)	0	(3,579)
Additions during the year	1,743	0	1,743
As at 31.03.2025	9,699	844	10,543
Depreciation:			
Balance as at 01.04.2024	11,401	844	12,245
Eliminated in respect of disposals	(3,579)	0	(3,579)
Charge for the year	415	0	415
As at 31.03.2025	8,237	844	9,081
Net Book Value as at 31.03.2025	1,462	0	1,462
Net Book Value as at 31.03.2024	134	0	134

5 .INVESTMENTS:-	\$ 31.03.2025	\$ 31.03.2024
Investment in subsidiaries		
Balance as at 01.04.2024	60,000	60,000
As at 31.03.2025	60,000	60,000

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Class of shares	Number	Holding
AVT Natural North America Inc.	1013 Centre Road Suite 403S Wilmington County of New Castle Zip Code 19805 USA - Delaware	Ordinary \$10.00	6,000	100.00%

Classified as a small group and with parent's own accounts included in a larger group, advantage has been taken of Section 401 of Companies Act 2006 to dispense with consolidated accounts incorporating those of the above 100% US subsidiary.

AVT Natural North America Inc.'s Profit and Loss Reserves as at 31st March 2025 amounted to US \$ 310,172.

AVT NATURAL EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 31 MARCH 2025

6 .DEBTORS:-	\$ 31.03.2025	\$ 31.03.2024
Trade debtors	2,646,150	1,804,191
Amounts due from associated undertakings (see note 10)	383,466	594,082
VAT Recoverable	8,208	8,463
Prepayments	11,728	10,874
Other debtor	0	6,321
Security deposit	1,800	1,800
	<hr/> 3,051,352 <hr/>	<hr/> 2,425,731 <hr/>

7 .CREDITORS-amounts falling due within one year:-	\$ 31.03.2025	\$ 31.03.2024
Bank loans	1,599,110	1,715,036
Trade creditors	206,254	65,782
Amounts owed to associated undertakings (see note 10)	2,125,097	2,014,057
Other taxation and social security	14,890	15,220
Corporation tax	88,062	53,207
Other Creditors	22,829	24,984
	<hr/> 4,056,242 <hr/>	<hr/> 3,888,287 <hr/>

The bank loans and overdrafts are secured by a fixed and floating charge dated 21st October 2016 against the assets of the company both present and future.

8 . FINANCIAL COMMITMENTS:

The company as lessee - The total future minimum lease payments under non - cancellable operating leases are as follows:

	31.03.2025	31.03.2024
Operating leases - office rent expiring:	\$	\$
Within one year	45,463	45,463
	<hr/> 45,463 <hr/>	<hr/> 45,463 <hr/>

The lease of offices expired on 20.03.2025 and they are currently occupied on a rolling 6 months basis.

AVT NATURAL EUROPE LIMITED**NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDING 31 MARCH 2025

9 . SUMMARY AUDIT OPINION :

The auditor's report for the year dated 9 May 2025 was unqualified.

The senior statutory auditor was Reza Samii, for and on behalf of Reza Samii Chartered Accountant and Statutory Auditor.

10 . RELATED PARTY TRANSACTIONS :**AVT Natural Products Ltd**

The company's immediate and ultimate parent throughout the current period was AVT Natural Products Limited, a company incorporated in India and listed on the Bombay Stock Exchange and the National Stock Exchange of India.

During the year the company entered into the following transactions with AVT Natural Products Ltd. Sales of \$2,201,205, Sales commission of \$ 52,225, Guarantee fees of \$25,000 and Purchases of \$ 9,670,420.

The balances outstanding as at 31st March 2025 were a debtor balance of \$ 371,581 and a creditor balance of \$2,125,097.

Serica Tea Limited / The Darlington Tea Company Limited

The company is related to the above through its director Mr. Richard Darlington. During the year the company entered into the following transactions with the above:-

Serica Tea Limited: Sales of \$ 19,104. The balance as at 31st March 2025 was a debtor balance of \$ 4,907.

The Darlington Tea Company Limited (DTCL): Recharges of \$ 28,223 to DTCL. The balance as at 31st March 2025 was a debtor balance of \$ 6,978.

11 . ULTIMATE CONTROLLING PARTY

The company is under the ultimate control of Mr. Ajit Thomas by virtue of his controlling interest in a number of companies that, taken together, exercise control over AVT Natural Products Limited.