

Company Registration Number: 06157827

**Juvela Limited**

**Annual Report and Financial Statements**

**For the year ended 31 December 2023**

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# Juvela Limited

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## Corporate information

### Directors

J Mitchell

S P Livingston

S Lane

S Argent (appointed 21 December 2023)

R D Hewitt (resigned 29 December 2023)

### Registered office

19 De Havilland Drive

Liverpool

L24 8RN

### Independent Auditors

PKF Francis Clark

Statutory Auditor

Ground Floor

Blackbrook Gate 1

Blackbrook Business Park

Taunton

Somerset

TA1 2PX

### Solicitors

DWF LLP

5 St Pauls Square

Old Hall Street

Liverpool

L3 9AE

### Bankers

Barclays Bank

69 Albion Street

Leeds

LS1 5LD

# Juvela Limited

## Directors' report

for the year ended 31 December 2023

The directors present their report and the financial statements for the year ended 31 December 2023.

### Principal activity

The principal activity of the company in the year was the distribution of gluten free and low protein nutritional products.

### Directors of the company

The directors who held office during the full year ended 31 December 2023 is given on page 2.

### Directors' Indemnity

The Company directors are indemnified from third party claims and are covered under a group directors' and officers' insurance policy.

### Dividends

Ordinary dividends were paid amounting to £nil in relation to the year ended 31 December 2023 (2022: £2.7m).

### Going Concern

The Company is forecasting to generate positive cash flow for the next 12 month to September 2025 which helps support the Directors opinion that the company can continue as a going concern.

The directors have reviewed the impacts since the Brexit transition period ended which initially resulted in trading delays with sales to Ireland, however these supply chain issues have now been overcome and there are no significant operational issues of concern. The directors have also reviewed the current high inflationary macro environment in which the Company is operating in and does foresee any significant operational issues of concern which would result in the Company not being able to continue as a going concern.

The Company has a cash resource together with a number of distinctive customer groups, all with potential for growth due to an increase in customer numbers and product development opportunities across a variety of distribution channels. A sensitivity analysis has been prepared to consider a plausible downside scenario and the company continues to have sufficient cash throughout the going concern period. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have a reasonable expectation that the Company has sufficient resources and adequate contracts in place to continue as a going concern for the period to December 2025.

### Disclosure of information to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

# Juvela Limited

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## Directors' report

for the year ended 31 December 2023

### Small companies provisions statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

### Re-appointment of auditors

PKF Francis Clark were reappointed as auditors on 22<sup>nd</sup> September 2024.

On behalf of the Board

J Mitchell

Director

22<sup>nd</sup> September 2024

## Directors' responsibility statement

for the year ended 31 December 2023

The directors acknowledge their responsibilities for preparing the Annual 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 in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting 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 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 auditors' report to the members of Juvela Limited**

## **Opinion**

We have audited the financial statements of Juvela Limited (the 'company') for the year ended 31 December 2023, which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Independent auditors' report to the members of Juvela Limited**

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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 take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor Responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the company. We gained an understanding of the company and the industry in which the company operates as part of this assessment to identify the key laws and regulations affecting the company. We enquired with management policies and procedures and made an appropriate team selection (ensuring competence and capability to recognise non-compliance). Key regulations we identified were health and safety regulations, Foods Standard Agency, employment



## **Independent auditors' report to the members of Juvela Limited**

law and also those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and tax legislation.

Management enquiries covered any knowledge or evidence of actual or potential fraud, litigation and claims which are followed up with corroborative audit review work. We also evaluated management incentives and opportunities for fraudulent manipulation of the financial statements and found nothing to note.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements. As part of these enquiries, we also discussed with management whether there have been any known instances of fraud, of which there were none.
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance.
- Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenge assumptions used by management in making the estimates.
- We sampled sales orders through to invoices to ensure they are being recognised correctly. We have also performed sales cut off testing around the year end and the sale has been recognised when the goods have been delivered.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

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.

.....  
Nicholas Farrant BA MSc FCA (Senior Statutory Auditor)  
PKF Francis Clark, Statutory Auditor  
Ground Floor  
Blackbrook Gate 1  
Blackbrook Business Park  
Taunton  
Somerset  
TA1 2PX

Date:.....September 2024

# Juvela Limited

## Income statement

for the year ended 31 December 2023

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Turnover</b>	7,621	7,509
Cost of sales	(2,946)	(2,803)
<b>Gross profit</b>	4,675	4,706
Distribution costs	(658)	(664)
Administrative costs	(2,775)	(3,010)
<b>Operating Profit</b>	1,242	1,032
<b>Profit on ordinary activities before taxation</b>	1,242	1,032
Tax on profit on ordinary activities	(441)	(318)
<b>Profit for the financial year</b>	<b>801</b>	<b>714</b>

All items dealt with in arriving at the profit on ordinary activities before taxation relate to continuing operations.

There was no other comprehensive income in the periods presented; therefore, no statement of other comprehensive income has been prepared. Total comprehensive income is equal to profit for the year in the periods presented.

The notes on pages 12-24 are an integral part of these financial statements.

## Juvela Limited

### Statement of changes in equity

for the year ended 31 December 2023

	Called up share capital £'000	Capital Contribution £'000	Profit and loss account £'000	Total Equity £'000
At 1 January 2022	-	12,355	(2,587)	9,768
Capital contribution	-	-	-	-
Dividend Payment	-	(2,700)	-	(2,700)
Profit for the year	-	-	714	714
<b>At 31 December 2022</b>	<b>-</b>	<b>9,655</b>	<b>(1,873)</b>	<b>7,782</b>
Capital contribution	-	-	-	-
Dividend Payment	-	-	-	-
Profit for the year	-	-	801	801
<b>At 31 December 2023</b>	<b>-</b>	<b>9,655</b>	<b>(1,072)</b>	<b>8,583</b>

Of the £9,655,000 total capital contribution as at 31 December 2023, only £8,727,000 is distributable. The remaining balance of £928,000 capital contribution was received in the year to 31 December 2019 and related to a waiver from the ex-parent company of a licence fee payable and hence is not distributable.

The deemed distribution to the parent arose from a difference between the fair value of the brand intangible asset purchased from the parent and the amount payable per the agreement.

A dividend payment of £2,700,000 was made in 2022 to the parent company prior to the sale of the company.

# Juvela Limited

## Statement of financial position

as at 31 December 2023

	Notes	2023	2022
		£'000	£'000
<b>Fixed assets</b>			
Intangible assets	7	4,632	5,489
Tangible assets	8	762	842
		<u>5,394</u>	<u>6,331</u>
<b>Current assets</b>			
Stocks	9	695	345
Debtors:			
amounts falling due within one year	10	3,641	1,790
Cash at bank and in hand		205	236
		<u>4,541</u>	<u>2,371</u>
Creditors: amounts falling due within one year	11	(1,265)	(833)
		<u>3,276</u>	<u>1,538</u>
<b>Net current assets</b>			
		<u>8,670</u>	<u>7,869</u>
<b>Total assets less current liabilities</b>			
Provisions	12	(87)	(87)
		<u>8,583</u>	<u>7,782</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Called up share capital	15	-	-
Capital contribution		9,655	9,655
Profit and loss account		(1,072)	(1,873)
		<u>8,583</u>	<u>7,782</u>

The notes on pages 12-24 form part of these financial statements.

These financial statements were approved by the Board of directors on 22-09-2024 and were signed on its behalf by:

J Mitchell

Director

Company Registration Number: 06157827

# Juvela Limited

## Notes to financial statements (continued)

for the year ended 31 December 2023

### 1. Accounting policies

#### a) Statement of compliance

These financial statements have been prepared in compliance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102”).

#### b) Basis of preparation

The financial statements of Juvela Limited (formerly known as Hero UK Limited) were authorised for issue by the Board of Directors on 22-09-2024. The financial statements are prepared under the historical cost convention and in accordance with applicable UK accounting standards. The financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest pound in thousands (£).

#### Going Concern

The Company is forecasting to generate positive cash flow for the next 12 month to September 2025 which helps support the Directors opinion that the company can continue as a going concern, this is the key judgment in the accounts.

The directors have reviewed the impacts since the Brexit transition period ended which initially resulted in trading delays with sales to Ireland, however these supply chain issues have now been overcome and there are no significant operational issues of concern. The directors have also reviewed the current high inflationary macro environment in which the Company is operating in and does foresee any significant operational issues of concern which would result in the Company not being able to continue as a going concern.

The Company has cash resource together with a number of distinctive customer groups, all with potential for growth due to an increase in customer numbers and product development opportunities across a variety of distribution channels. A sensitivity analysis has been prepared to consider a plausible downside scenario and the company continues to have sufficient cash throughout the going concern period. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have a reasonable expectation that the Company has sufficient resources and adequate contracts in place to continue as a going concern for the period to September 2025.

#### Disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 102:

- i) a reconciliation of the number of shares outstanding at the beginning and end of the period. (FRS 102 p4.12(a)(iv));
- ii) the requirement to prepare a statement of cash flows. (section 7 of FRS 102 and p3.17(d));
- iii) certain financial instrument disclosures, providing equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated. In addition the company law disclosures are still required;
- iv) the non-disclosure of key management personnel compensation in total.
- v) the requirements of Section 33 Related Party Disclosures paragraph 33.7.

The accounting policies in note 1 set out those policies which apply in preparing the financial statements for the year ended 31 December 2023.

## Notes to financial statements (continued)

for the year ended 31 December 2023

### c) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at 31<sup>st</sup> December 2023 and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. A review for impairment of the carrying value of intangible assets was conducted resulting in no change in the carrying values. There are no key sources of estimation uncertainty. The judgement that has the most significant effect on the financial statements is the going concern basis of accounting and this is included in the accounting policy on page 12.

### d) Significant accounting policies

#### Tangible Assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing parts of the tangible assets directly attributable to making the asset capable of operating as intended.

Depreciation is calculated so as to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

	<b>Basis</b>	<b>Years</b>
Computers	Straight line	3 - 5
Plant and machinery	Straight line	5 -10

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Any impairment in the value of fixed assets below depreciated historical cost is charged to the Income Statement.

#### Goodwill and intangible assets

Positive goodwill acquired on each business combination is capitalised, classified as an asset on the statement of financial position and amortised on a straight-line basis over its useful life.

The carrying value of all goodwill is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Any impairment in the value of goodwill is charged to the income statement.

If a subsidiary, associate or business is subsequently sold or discontinued, any goodwill arising on acquisition that has not been amortised through the income statement is taken into account in determining the profit or loss on sale or discontinuance.

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition. Intangible assets acquired as part of an acquisition are not recognised where they arise from legal or other contractual rights, and where there is no history of exchange transactions. Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred.

## Notes to financial statements (continued)

for the year ended 31 December 2023

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight-line basis over their estimated useful lives. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

If there are indicators that the residual value or useful life of an intangible asset has changed since the most recent annual reporting period previous estimates shall be reviewed and, if current expectations differ the residual value, amortisation method or useful life shall be amended. Changes in the expected useful life or the expected pattern of consumption of benefit shall be accounted for as a change in accounting estimate.

### Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration receivable, excluding discounts, rebates, value added tax.

The following criteria must also be met before revenue is recognised:

#### *Sale of goods*

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods.

### Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal. Where necessary, provision is made for obsolete, slow moving and defective stocks.

### Accruals and deferred income

Accruals and deferred income comprise expenses relating to the current year which will not be paid until after the year end date and income received in advance, relating to the following year. Accruals and deferred income are recognised at the transaction price.

### Basic Financial instruments

#### (a) Financial assets

Basic financial assets represents stocks, trade debtors, cash and bank balances are initially recognised at transaction price. At 31 December 2023, the company had only financial assets classified as basic financial instruments. Debtors receivable in less than one year are recorded at transaction price.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

## Notes to financial statements (continued)

for the year ended 31 December 2023

### **(b) Financial liabilities**

Basic financial liabilities represents creditors including amounts owed to Parent are initially recognised at transaction price. At 31 December 2023, the company had financial liabilities classified as basic financial liabilities.

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Amounts owed to group undertakings which are basic financial instruments are initially recorded at the present value of future payments discounted at a market rate of interest for a similar loan. Subsequently, they are measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

### **(c) Offsetting**

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## **Income Tax**

### **(a) Current income tax**

Corporation tax payable is provided on taxable profits at current rates.

### **(b) Deferred taxation**

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

- where there are differences between amounts that can be deducted for tax for assets (other than goodwill) and liabilities compared with the amounts that are recognised for those assets and liabilities in a business combination a deferred tax liability/(asset) shall be recognised. The amount attributed to goodwill is adjusted by the amount of the deferred tax recognised; and
- unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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 substantively enacted at the year-end date.



## Notes to financial statements (continued)

for the year ended 31 December 2023

### Leases

At inception the Company assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement. Assets held under operating leases, which are leases where substantially all the risks and rewards of ownership of the asset remain with the lessor. Rentals payable under operating leases are charged against profits on a straight-line basis over the period of the lease.

### Foreign currencies

Transactions denominated in foreign currencies are initially recorded in the entity's functional currency i.e., sterling by applying the spot exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the year end date. All differences are taken to the income statement.

### Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at banks and in hand and short-term deposits with an original maturity date of three months or less.

### Pension scheme arrangements

The Company operates a defined contribution pension scheme. The amount charged to the income statement represents the contributions payable to the scheme in respect of the accounting period. The company recognised the contribution payable for a period:

- As a liability, after deducting any amount already paid.
- As an expense, unless requires the cost to be recognised as part of the cost of an asset such as stocks or tangible assets.

## 2. Turnover and segmental analysis

The turnover of Juvela Limited represents amounts invoiced in respect of oral nutrition products sold during the period, gluten free plus a low protein range, excluding value added tax.

An analysis of gross turnover and trade discounts is as follows:

	2023 £'000	2022 £'000
Sale of goods	<u>7,621</u>	<u>7,509</u>

# Juvela Limited

## Notes to financial statements (continued) for the year ended 31 December 2023

Turnover is analysed by geographical area as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
UK	7,349	7,131
Ireland	272	378
<b>Turnover</b>	<b>7,621</b>	<b>7,509</b>

### 3. Operating Profit

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Profit on ordinary activities is stated after charging/(crediting):		
Operating lease rentals		
- Land & buildings	110	102
- Other assets	11	11
Auditors' remuneration (note 4)	21	17
Depreciation of owned fixed assets (note 8)	150	147
Amortisation (Note 7)	857	615
Foreign exchange differences	(5)	(5)

### 4. Auditor's remuneration

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Audit of the financial statements	21	17
	<b>21</b>	<b>17</b>

### 5. Staff costs

#### a) Staff costs including Director's remuneration

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	1,375	1,182
Social security costs	138	122
Other pension costs	95	81
	<b>1,731</b>	<b>1,538</b>

# Juvela Limited

## Notes to financial statements (continued)

### for the year ended 31 December 2023

The average monthly number of employees (including directors) during the year was made up as follows:

	2023	2022
	No.	No.
Administration	10	10
Manufacturing	22	20
	<u>32</u>	<u>30</u>

#### b) Directors' remuneration

	2023	2022
	£'000	£'000
Aggregate remuneration in respect of qualifying services	388	233
Pension contributions	29	17
	<u>417</u>	<u>250</u>

The total aggregate remuneration in respect of qualifying services remuneration for the highest earning Director was £251k and pension scheme contributions of £19k.

During the year the number of directors who were receiving benefits and pensions contributions was as follows: 2 (2022: 1).

## 6. Tax

### (a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2023	2022
	£'000	£'000
<i>Current Tax:</i>		
UK Corporation tax at 23.5% (2022: 19.00%)	-	(312)
Group Relief (Payable) receivable	(441)	-
Adjustment in respect of previous period	(0)	(7)
<i>Deferred tax:</i>		
Origination and reversal of timing differences	(1)	(5)
Adjustment in respect of previous periods	1	8
Effect of changes in tax rates	(0)	(2)
<b>Total tax per income statement (note 6 (b))</b>	<u><b>(441)</b></u>	<u><b>(318)</b></u>

# Juvela Limited

## Notes to financial statements (continued)

for the year ended 31 December 2023

### 6. Tax (continued)

#### (b) Factors affecting the total tax charge

The tax assessed on the profit on ordinary activities for the year is higher (2022: higher) than the standard rate of corporation tax in the UK of 23.5% (2022 – 19.00%). The differences are reconciled below:

	2023	2022
	£'000	£'000
Profit on ordinary activities before tax	<u>1,242</u>	<u>1,032</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%).	292	196
Effects of		
Expenses not deductible for tax purposes	150	121
Adjustments from previous periods	(1)	(1)
Change in tax laws and rates	<u>0</u>	<u>2</u>
<b>Total tax expense</b>	<b><u>441</u></b>	<b><u>318</u></b>

#### (c) Deferred tax

	2023	2022
	£'000	£'000
Included in provisions (note 14)	(87)	(87)
	2022	2021
	£'000	£'000
Other timing differences	<u>(87)</u>	<u>(87)</u>
		£'000
At 1 January 2022		(87)
Adjustment in respect of prior year		(8)
Deferred tax expense in income statement		<u>8</u>
At 31 December 2023		<b><u>(87)</u></b>

# Juvela Limited

## Notes to financial statements (continued)

for the year ended 31 December 2023

### 7. Intangible assets

	Goodwill on Acquisition £'000	License £'000	Acquired Brand Names £'000	Other IP £'000	Total £'000
<b>Cost</b>					
At 1 January 2023	2,134	1,165	6,155	2,411	11,865
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
<b>At 31 December 2023</b>	<b>2,134</b>	<b>1,165</b>	<b>6,155</b>	<b>2,411</b>	<b>11,865</b>
<b>Amortisation</b>					
At 1 January 2023	(2,134)	(1,165)	(3,077)	-	(6,376)
Provided during the year	-	-	(616)	(241)	(857)
<b>At 31 December 2023</b>	<b>(2,134)</b>	<b>(1,165)</b>	<b>(3,693)</b>	<b>(241)</b>	<b>(7,233)</b>
<b>Carrying amount as</b>					
<b>At 31 December 2023</b>	<b>-</b>	<b>-</b>	<b>2,462</b>	<b>2,170</b>	<b>4,632</b>
<b>At 31 December 2022</b>	<b>-</b>	<b>-</b>	<b>3,078</b>	<b>2,411</b>	<b>5,489</b>

The individual intangible assets, excluding goodwill, which are material to the financial statements are:

	Carrying Amount		Remaining amortisation period (years)	
	2023	2022	2023	2022
	£'000	£'000		
<b>Brand Names, Trademarks, Other IP</b>				
Juvela	2,462	3,078	4	5
Other IP	2,170	2,411	9	10
License	-	-	nil	nil

The Juvela brand has a useful life of 10 years and is based on the expected use of the acquired brand. Amortisation of £615k (2022: £615k) is included within in the Administration costs within the Income Statement.

The Other IP was purchased from Hero AG prior to the sale of the company on the 14<sup>th</sup> December 2022.

Goodwill on acquisition arose on the acquisition of assets and liabilities of Supercook UK LLP on 22 March 2007. This acquisition has been accounted for under acquisition accounting. In accordance with FRS 10 'Goodwill and intangible assets', as the contract to supply Supercook UK LLP was loss making, goodwill on acquisition has been written off immediately in the period it arises. Consequently, £2,134,000 was debited to the Income Statement account in the year of acquisition.

A license to distribute and supply gluten free nutritional products was acquired 11 May 2007. The fair value of this license agreement was £1,165,000 and was fully amortised as at 31 December 2008.

# Juvela Limited

## Notes to financial statements (continued)

for the year ended 31 December 2023

### 8. Tangible assets

	Plant and machinery £'000	Computers £'000	Total £'000
<b>Cost</b>			
At 1 January 2023	1,481	285	1,766
Additions	24	46	70
Disposals	-	-	-
<b>At 31 December 2022</b>	<b>1,505</b>	<b>331</b>	<b>1,836</b>
<b>Depreciation</b>			
At 1 January 2023	654	270	924
Provided during the year	134	16	150
Disposals	-	-	-
<b>At 31 December 2022</b>	<b>788</b>	<b>286</b>	<b>1,074</b>
<b>Carrying amount as</b>			
<b>At 31 December 2023</b>	<b>717</b>	<b>45</b>	<b>762</b>
<b>At 31 December 2022</b>	<b>827</b>	<b>15</b>	<b>842</b>

### 9. Stocks

	2023	2022
	£'000	£'000
Raw Materials & Packaging Materials	485	231
Finished goods and goods for resale	210	114
	<b>695</b>	<b>345</b>

Stocks recognised as an expense in the period were £1,766k (2022: £1,643k)

### 10. Debtors

	2023	2022
	£'000	£'000
Amounts falling due within one year:		
Trade debtors	1,564	1,667
Other debtors	34	40
Intercompany Debtors	1,929	-
Prepayments and accrued income	114	83
	<b>3,641</b>	<b>1,790</b>

# Juvela Limited

## Notes to financial statements (continued)

for the year ended 31 December 2023

### 11. Creditors: amounts falling due within one year

	2023	2022
	£'000	£'000
Trade creditors	406	391
Amounts owed to Parent	-	-
Corporation tax	441	38
Other taxes and social security	62	52
Accruals and deferred income	356	352
	<b>1,265</b>	<b>833</b>

### 12. Provisions

	2023	2022
	£'000	£'000
Deferred taxation	87	87
	<b>87</b>	<b>87</b>

### 13. Pensions and other post-retirement benefits

The Company operates a defined contribution pension scheme, the contributions are charged in the income statement as they become payable in accordance with the rules of the scheme. The total pension cost for the company was £94,528 (2022: £81,070). Contributions amounting to £16,498 (2022: £12,567) were payable to the funds at the year-end and are included in creditors.

### 14. Obligation under operating leases

The Company has taken land and buildings and motor vehicles on lease. The total amount of financial commitments not included in the balance sheet is £162,000 (2022 - £283,000).

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2023		2022	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Within one year	50	4	104	17
In the two to five years	102	6	152	10
Later than five years	-	-	-	-
	<b>152</b>	<b>10</b>	<b>256</b>	<b>27</b>

# Juvela Limited

## Notes to financial statements (continued)

for the year ended 31 December 2023

### 15. Allotted and issued share capital

	2023	2022
	£	£
Allotted, called up and fully paid up 1 ordinary shares of £1	1	1

### 16. Lease arrangements

The company enters into operating lease arrangements for the hire of buildings, motor vehicles and printer and other equipment as these arrangements are a cost-efficient way of obtaining the short-term benefits of these assets. The company lease rental expense for the year is disclosed in Note 3 and the annual company commitments under these arrangements are disclosed in Note 14. There are no other material lease arrangements.

### 17. Financial instruments

	2023	2022
	£'000	£'000
<b>Financial assets that are debt instruments measured at amortised cost</b>		
Trade debtors	1,564	1,667
Intercompany debtors	1,442	-
Other debtors	34	40
	<hr/>	<hr/>
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors	394	391
	<hr/>	<hr/>

### 18. Contingent Liability

The Company has provided a guarantee for a loan and revolving credit facilities agreement taken out by S-Ventures Acquisitions Limited with Shawbrook Bank. As at the Statement of Financial Position date, the outstanding facilities balance was £5.5m made up of £5m loans with maturity date of December 2026 and £0.5m revolving credit facility. As S-Ventures Acquisitions Limited are in compliance with all the terms of the loan agreement as at the Statement of Financial Position date and no conditions exist that would require the Company to make any payments under the guarantee.

This guarantee represents a potential liability for the company, but since no default have occurred and the likelihood of the company having to fulfil this obligation is considered low, no provision has been made in these financial statements.



# Juvela Limited

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## Notes to financial statements (continued) for the year ended 31 December 2023

### 19. General Information

The Company is a private company limited by share capital, incorporated in England and Wales.

**Registered Office:**

19 De Havilland Drive  
Liverpool  
L24 8RN

### 20. Ultimate parent company

The Company's immediate parent is S-Ventures Acquisitions Limited, a company incorporated in England and Wales. The Company's ultimate Parent Company is S-Ventures PLC, a company incorporated in England and Wales and quoted on the AQSE exchange. The smallest group that are consolidating accounts is S-Ventures PLC.