

CALLEVA LIMITED

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2016**

Company Registration Number: 02880629

CALLEVA LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2016**

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CALLEVA LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2016

DIRECTORS

C A Griffiths

W Shaw

SECRETARY

W Shaw

REGISTERED OFFICE

Market Way

North Petherton

Bridgwater

Somerset

TA6 6DF

COMPANY REGISTRATION NUMBER

02880629 England and Wales

CALLEVA LIMITED

BALANCE SHEET

AS AT 31 December 2016

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible assets	7	901,007	788,066
Investments	8	2	2
		<u>901,009</u>	<u>788,068</u>
CURRENT ASSETS			
Stock		470,166	517,315
Debtors	9	1,893,747	2,007,226
Cash at bank and in hand		2,406,615	2,112,805
		<u>4,770,528</u>	<u>4,637,346</u>
CREDITORS: Amounts falling due within one year	10	1,066,501	1,101,180
		<u>3,704,027</u>	<u>3,536,166</u>
NET CURRENT ASSETS			
		<u>4,605,036</u>	<u>4,324,234</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
CREDITORS: Amounts falling due after more than one year	11	-	22,785
Provisions for liabilities and charges		116,475	101,894
		<u>4,488,561</u>	<u>4,199,555</u>
NET ASSETS			
CAPITAL AND RESERVES			
Called up share capital		100	100
Distributable profit and loss account		4,488,461	4,199,455
		<u>4,488,561</u>	<u>4,199,555</u>
SHAREHOLDERS' FUNDS			
		<u>4,488,561</u>	<u>4,199,555</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A - small entities.

For the financial year ended 31 December 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

As permitted by S444 (5A) of the Companies Act 2006 the directors have not delivered to the Registrar a copy of the company's Profit and Loss Account or Directors Report.

Signed on behalf of the board of directors

C A Griffiths
Director

Date approved by the board: 21 September 2017

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1 GENERAL INFORMATION

Calleva Limited is a private company limited by shares and incorporated in England and Wales. Its registered office is:

Market Way
North Petherton
Bridgwater
Somerset
TA6 6DF

The financial statements are presented in Sterling, which is the functional currency of the company.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of financial statements

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Section 1A smaller entities 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

Revenue recognition

Turnover is measured at the fair value of consideration received or receivable and represents the supply of food ingredients and consultancy services provided, stated net of trade discounts and value added tax. Turnover in respect of consultancy fees is recognised as soon as there is a right to consideration and is determined by reference to the value of the work performed.

The company recognises revenue when the amount of revenue can be measured reliably and when it is probable that future economic benefits will flow to the entity.

Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation has been provided at the following rate so as to write off the cost or valuation of assets less residual value of the assets over their estimated useful lives.

Laboratory and technical equipment	Reducing balance at 20% per annum
Office equipment, fixtures and fittings	Reducing balance at 20% per annum
Leasehold improvements	Straight line at 2% per annum

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in profit and loss account, and included in administrative expenses.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)

Investments

Investments in subsidiaries are shown at cost less accumulated impairment losses.

Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets are measured at cost and are assessed at the end of each reporting period for objective evidence of impairment. Where objective evidence of impairment is found, an impairment loss is recognised in profit and loss.

The impairment loss for financial assets measured at cost is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like goodwill and plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets (which is the higher of value in use and the fair value less cost to sell) is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

Stocks are also assessed for impairment at each reporting date. The carrying amount of each item of stock, or group of similar items, is compared with its selling price less cost to complete and sell. If an item of stock, or group of similar items, is impaired its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset, or group of related assets, is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset, or group of related assets, in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)

Stock

Stock has been valued at the lower of cost and estimated selling price less cost to complete and sell, after making due allowance for obsolete and slow-moving items. Cost comprises the cost of goods purchased valued on a standard cost basis.

The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Loans receivable are measured initially at fair value, net of transaction costs, and subsequently at amortised cost using effective interest rate method, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and subsequently at amortised cost using the effective interest method.

Leases

Leases are classified as finance leases when they transfer substantially all the risks and rewards of ownership of the leased assets to the company. Other leases that do not transfer substantially all the risks and rewards of ownership of the leased assets to the company are classified as operating leases.

Assets held under finance leases are recognised in accordance with the company's policy for tangible fixed assets. The corresponding obligations to lessors under finance leases are treated in the balance sheet as a liability. The assets and liabilities under finance leases are recognised at amounts equal to the fair value of the assets, or if lower, the present value of minimum lease payments, determined at the inception of the lease.

Minimum lease payments are apportioned between finance charges and the reduction in the outstanding liabilities using the effective interest method. The finance charge is allocated to each period during the lease so as to produce a constant rate of interest on the remaining balance of the liabilities. Finance charges are recognised in the profit or loss.

Payments applicable to operating leases are charged against profit on a straight line basis over the lease term.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)

Taxation

Taxation expense represents the aggregate amount of current tax and deferred tax recognised in the reporting period.

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods based on current tax rates and laws. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in

the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Deferred tax relating to land and investment properties that is measured at fair value is measured using the tax rates and allowances that apply to the sale of the asset.

Current and deferred tax assets and liabilities are not discounted.

Foreign currencies

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rate of exchange prevailing at that date. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit or loss.

Pensions

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the amount payable in the year. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments in the balance sheet.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued...)

Consolidation

The company is a parent company subject to the small companies regime. The company and its subsidiary comprise a small group. The company has therefore taken advantage of the option provided by section 398 of the Companies Act 2006 not to prepare group accounts.

3 TRANSITION TO FRS 102

This is the first year in which the financial statements have been prepared under FRS 102. Note 14 gives an explanation of the effects of the transition.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

No significant accounting estimates and judgements have had to be made by the directors in preparing these financial statements.

5 EMPLOYEES

The average number of persons employed by the company (including directors) during the year was:

	2016	2015
Average number of employees	17	18

6 DIRECTORS' REMUNERATION

	2016	2015
Remuneration paid to the directors during the year was:	16,128	16,110

7 TANGIBLE ASSETS

	Laboratory and technical equipment £	Office equipment, fixtures and fittings £	Leasehold improvements £	Total £
Cost				
At 1 January 2016	852,113	130,708	301,552	1,284,373
Additions	261,445	7,534	-	268,979
Disposals	(128,055)	(53,702)	(9,300)	(191,057)
At 31 December 2016	985,503	84,540	292,252	1,362,295
Accumulated depreciation				
At 1 January 2016	412,324	64,487	19,496	496,307
Charge for year	83,165	11,393	5,937	100,495
Disposals	(93,041)	(41,047)	(1,426)	(135,514)
At 31 December 2016	402,448	34,833	24,007	461,288
Net book value				
At 1 January 2016	439,789	66,221	282,056	788,066
At 31 December 2016	583,055	49,707	268,245	901,007

Included in the above are assets held under finance leases and hire purchase contracts as follows:

	Laboratory and technical equipment £	Office equipment, fixtures and fittings £	Leasehold improvements £	Total £
Depreciation charge for year	18,250	-	-	18,250

Net book value				
At 1 January 2016	91,252	-	-	91,252
At 31 December 2016	73,002	-	-	73,002

The assets held under finance leases are secured against the assets to which they relate.

8 FIXED ASSET INVESTMENTS

	Subsidiary undertaking £
Cost	
At 1 January 2016	2
At 31 December 2016	2
Net book value	
At 1 January 2016	2
At 31 December 2016	2

9 DEBTORS

	2016 £	2015 £
Trade debtors	175,779	75,917
Amounts due from group undertakings	1,660,677	1,768,370
Prepayments and accrued income	26,556	131,701
Other debtors	30,735	31,238
	1,893,747	2,007,226

Included in amounts due from group undertakings is an advance to Calleblend Ltd of £1,637,075 (2015 = £1,468,410). This advance is interest free and repayable on demand.

Included in amounts due from group undertakings is an advance to Calleva Ingredients Ltd of £23,602 (2015 = £299,960). This advance is interest free and repayable on demand.

10 CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	237,860	395,881
Corporation tax	97,891	132,004
Other taxation and social security	173,380	11,694
Amounts due to group undertakings	373,595	373,595
Hire purchase contracts and finance leases	22,785	39,060

Accruals and deferred income	88,039	
Other creditors	72,951	148,946
	<u>1,066,501</u>	<u>1,101,180</u>

Included in other creditors is an advance from the directors (Note 12) of £179 (2015 = £nil). This advance is interest free and has no fixed date of repayment.

Included in amounts due to group undertakings is an advance from Calleva Flavourings Ltd of £373,595 (2015 = £373,595). This advance is interest free and repayable on demand.

11 CREDITORS: Amounts falling due after more than one year

	2016	2015
	£	£
Hire purchase contracts and finance leases	-	22,785
	<u>-</u>	<u>22,785</u>

The hire purchase contracts and finance leases are secured on the assets concerned.

12 RELATED PARTY TRANSACTIONS

The maximum amounts due to the company from the directors during the year were as follows:

	2016	2015
	£	£
C A Griffiths and W Shaw	-	72,752
	<u>-</u>	<u>72,752</u>

The directors made advances to the company during the year. The following amounts were due to the directors at the year end:

	2016	2015
	£	£
C A Griffiths and W Shaw	179	
	<u>179</u>	<u></u>

The company has claimed exemptions from reporting disclosure of related party transactions for the following wholly owned entities:

Calleva Flavourings Limited Wholly owned subsidiary

During the year, the following transactions with related parties took place:

Calleva Flavourings Limited		
Parent undertaking	2016	2015
	£	£
Transfer of assets	-	5,149
	<u>-</u>	<u>5,149</u>

Rendering or receiving of services	-	(5,505)
Administrative expenses	-	2,670
Expenses reimbursed	16,554	103,651
Rental Expenses	(135,000)	(56,935)
Dividends Paid	(100,000)	(150,432)
Increase in loans due to advances	300,000	.
Other transaction	87,111	72,752
Amount due from related party at 31 December 2016	1,637,075	1,468,410

12 RELATED PARTY TRANSACTIONS (continued...)

Calleva Ingredients Limited		
Under common control	2016	2015
	£	£
Settlement of liabilities on behalf of related party	613,655	29,230
Management recharges / services	2,103,169	270,830
Decrease in loans due to repayments	(2,993,082)	.
Other transaction	(100)	(100)
Amount due from related party at 31 December 2016	23,602	299,960

E and N Ryle		
Shareholders	2016	2015
	£	£
Dividends Paid	(33,400)	(98,200)

13 ULTIMATE PARENT COMPANY

The ultimate parent company is Calleblend Limited by virtue of its 88% interest in the issued share capital of Calleva Limited. Calleblend Limited is incorporated in the United Kingdom.

14 RECONCILIATIONS ON ADOPTION OF FRS 102

These financial statements for the year ended 31 December 2016 are the first financial statements that comply with FRS 102. The date of transition to FRS 102 is 1 January 2015.

Profit and loss for the year ended 31 December 2015

	£
Profit for the year under former UK GAAP	1,799,360
	<hr/>
Profit for the year under FRS 102	1,799,360
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Balance sheet at 31 December 2015

	£
Equity under former UK GAAP	4,199,555
	<hr/>
Equity under FRS 102	4,199,555
	<hr/>

Balance sheet at 1 January 2015

	£
Equity under former UK GAAP	2,648,827
	<hr/>
Equity under FRS 102	2,648,827
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This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.