

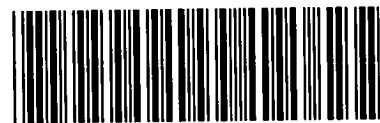
Registered number: 04275539

# PUKKA HERBS LIMITED

## ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2021

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## STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

**INTRODUCTION**

The Directors submit their report and audited financial statements of Pukka Herbs Limited (the "Company" or "Pukka") for the year ended 31 December 2021.

**BUSINESS REVIEW**

The financial performance for the year ended 31<sup>st</sup> December 2021 was above management expectations. Turnover increased in the UK driven by distribution expansion as well as the increasing relevance of Pukka's wellbeing products. Turnover in the rest of Europe continues to decline versus the comparative periods following the responsibility for the sale of goods in more European markets transferring to Unilever Group entities in the prior year.

The Company continues to invest behind the global growth of the business and the Directors consider that, in the conditions prevailing during the year, the development in the Company's business and its financial position at the end of the year was satisfactory.

The outbreak of Coronavirus (COVID-19) has been managed appropriately with the safety and wellbeing of our people prioritised, business continuity ensured, and commercial opportunities realised. Pukka's key routes to market remained largely unaffected throughout lockdown periods and the business was well positioned to benefit from the consumer shift to online channels.

On 1 October 2021, Unilever completed an internal reorganisation whereby it separated elements of its global tea business, including Pukka Herbs Ltd, into a separate legal structure, and new sub-group, 'ekaterra', which is held through ekaterra B.V. On 18 November 2021, Unilever signed an agreement to sell ekaterra B.V. and its subsidiaries to an external buyer, CVC Capital Partners Fund VII for €4.5 billion on a cash-free, debt-free basis. The sale transaction is expected to close in the second half of 2022. There is no impact expected on the Pukka Herbs tea business from the carve out.

**SECTION 172 STATEMENT**

The Directors' recognise their duty to promote the success of the Company for the benefit of the members as a whole.

- *Employees*  
Please refer to Employee Involvement in the Directors Report (page 5)
- *Suppliers, customers and others*  
The Company aims to foster excellent relationships with suppliers, customers and other stakeholders. The Company has dedicated customer service team and closely monitors its compliance with supplier payment terms.

The Company holds investments in another Unilever Group Company and therefore, has a business relationship with it.

During the accounting year under review the Company has considered its activities and decisions in relation to:

- New Strategy or a refresh;
- Large scale restructuring programmes;
- Board of Directors Appointments;
- Decisions relating to major regulatory or legal matters especially when in public domain.

The Unilever Group, which includes this Company, has the environment at the heart of its purpose to make sustainable living common place, and the Company has taken this into account in relation to the relevant matters

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**PUKKA HERBS LIMITED**

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during the year. The Company is subject to Unilever's Code of Business Principles and has applied these to its operations.

**PRINCIPLE RISKS AND UNCERTAINTIES****Financial risks**

The Company's operations expose it to a variety of financial risks that include credit risk and liquidity risk. The Company has specific policies for the management of these risks. The Company manages these risks as follows:

***Credit risk***

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed annually.

***Liquidity risk***

The Ekaterra Group ensures, by means of giving loans, that the Company has sufficient funds available to fund its operations.

**COMPETITIVE MARKETS**

There is a high level of competition in the herbal tea marketplace, in both the UK and international markets in which Pukka Herbs operates. The Company manages this risk by ensuring that all products remain true to Pukka's values, by investing in new products, innovative and sustainable packaging, and by maintaining its commitment to protecting the environment. This focus ensures that Pukka retains its competitive advantage.

The remaining business risks and uncertainties affecting the Company are considered to relate to consumption levels, customer landscape and physical risk, legislative, fiscal and regulatory conditions.

Further discussion of these risks and uncertainties, and how they are managed in the context of the Unilever Group as a whole, is provided in the published Unilever Group Annual Report.

The Company's ultimate parent company, Unilever PLC, includes the Company in its consolidated financial statements. Further discussion of the principal risks of the business, and how they are managed in the context of the Unilever Group, is provided in the consolidated financial statements of Unilever PLC. These statements are prepared in accordance with International Financial Reporting Standards and provided in the published Unilever PLC Annual Report, available at [www.unilever.com](http://www.unilever.com).

**SUSTAINABLE BUSINESS**

Pukka Herbs was created in 2001 with the purpose of nurturing healthier, happier lives through powerful organic plants. Pukka is a herbal health and wellbeing company that aims to make a positive change to people, plants and the planet through a business model with sustainability at its heart.

**HEALTHIER, HAPPIER LIVES**

Pukka unlocks the benefits of herbs to human health and wellbeing through our world-leading research, inspiring education, purposeful advocacy and award-winning herbal creations. Pukka passionately believes there is much to learn from the wisdom of traditional healing systems, coupled with an expert understanding of scientific research. During 2021, Pukka collaborated with 9 university partnerships to carry out herbal research into the efficacy of herbs as well as gaining better understanding of people's attitudes to their health including Pukka's first international collaboration with JSS College in India. Pukka published 3 scientific papers including novel findings that Shatavari supports musculoskeletal function. The Pukka research team and its student collaborators presented at 8 national and international conferences.

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**PUKKA HERBS LIMITED**

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**BEST PRACTICE ORGANIC AGRICULTURE**

Through sourcing 100% organically grown herbs we continue to support farming methods that build climate and biodiversity resilience and have a positive impact on livelihoods. Pukka's commitment to organic grows with the Company. In 2021, Pukka bought 2,200 tonnes of organic herbs. This is 30% more organic herbs than in 2020 (1,695 tonnes). Organic farming plays an important role in protecting wildlife and mitigating climate change. Plant, insect, and bird life is 50% more abundant on organic farms and organic farmed soils hold more carbon than non-organic soils.

Pukka remains committed to fair sourcing. Fair for Life is one of the most equitable and transparent fair-trade systems in the world. It ensures fair and sustainable prices and decent working conditions for our growers and blending partners in certified supply chains, as well as Pukka employees. All Pukka's teas are Fair for Life certified and 100% organic.

**PLANETARY HEALTH**

Pukka is committed to being Carbon Net Zero by 2030 – a big ambition for a fast-growing business, and is working to embed circular approaches to how we operate, including our packaging. Pukka recognises the importance of addressing climate and nature breakdown within the Pukka herbal value chain to ensure long term resilience in supply and because healthy people depend on a healthy planet.

**BUSINESS AS A FORCE FOR GOOD**

As a certified B Corp, Pukka is verified by B lab to meet the highest standards of environmental and social performance, accountability and transparency, and we want more businesses to join us. Pukka believes in the importance of business as a force for good.

Since 2016, Pukka has given more than £3.8 million to environmental and social initiatives through our commitment to 1% for the Planet. Projects include payment of fair premiums for community projects in the farming and harvesting communities we source from, certification fees to the bodies working tirelessly to conserve the environment, planting trees and empowering women with TreeSisters, protecting ecosystems with World Land Trust, and partnering with non-profit organisations to champion the vital interdependencies between healthy people, plants and planet (e.g. Soul Fire Farm in US and Soil Association in UK). In 2021, we gave £929,000 (12 months period to 31 December 2020; £750,000).

**FINANCIAL KEY PERFORMANCE INDICATORS**

The Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

This report was approved by the Board of Directors on 30<sup>th</sup> June 2022 and signed on its behalf by



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Mrs A Chugh  
Chief Executive

Registered Office: 100 Victoria Embankment, London, EC4Y 0DY  
Company registration number: 04275539

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**STATEMENT OF DIRECTORS RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, DIRECTORS REPORT  
AND THE FINANCIAL STATEMENTS**

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The Directors are responsible for preparing the Strategic Report, the Directors' 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

**PUKKA HERBS LIMITED****DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

The Directors present their report and the financial statements for the year ended 31 December 2021.

**PRINCIPAL ACTIVITY**

The principal activity of the Company is manufacturing and selling organic herbal teas and herbal remedies such as supplements. The aim of the Company is to make the benefits of organic herbs beneficial to as many people as possible. At the date of writing the report the Directors are not aware of any likely changes in activities of the Company in the forthcoming year.

**RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £20,570,000 (2020: Loss £2,448,000). No dividend was paid during the year (2020: £Nil).

The current year income statement includes £19,295,000 profit on sale of investments, following the sale of the Company's former subsidiary entity Pukka Herbs Inc on October 1<sup>st</sup> 2021.

The comparative period income statement includes £2,560,000 recharges from other Unilever entities relating to prior periods as a result of changes in the intercompany recharging model that were applied retrospectively. No similar adjustments exist in the 2021 income statement.

**DIRECTORS**

The Directors who held office during the year were:

Mr J Earley (resigned 16 November 2021)  
Mr R Hazell (resigned 16 November 2021)  
Mrs A Chugh (appointed 21 June 2021)  
Mr J Collins (appointed 12 July 2021, resigned 30 June 2022)  
Mr P Fenwick (resigned 7 July 2021)  
Ms S Syed (resigned 5 July 2021)  
Mr K Vandamme (resigned 2 July 2021)  
Mr J Davison (appointed 21 June 2021)

**EMPLOYEE INVOLVEMENT**

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters the effect them as employees and on various matters affecting the performance of the Company. This is achieved through formal and informal meetings. Employees are consulted regularly on a wide range of matters affecting their current and future interests.

**DISABLED PERSONS**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitude of the applicant concerned. In the event of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to other employees.

**POLITICAL DONATIONS**

The Company made no political donations nor incurred any political expenditure during the period (2020: £Nil).

**RESEARCH AND DEVELOPMENT**

During the period Pukka invested £823,000 (2020: £852,000) into various research and development projects, primarily in the area of product development.

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**PUKKA HERBS LIMITED**

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**FUTURE DEVELOPMENTS**

The continuation and acceleration of consumer trends towards health, welfare and the environment mean that there is a wealth of opportunities for the business both in the UK.

**DISCLOSURE OF INFORMATION TO THE AUDITOR**

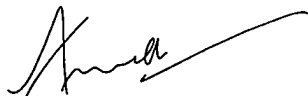
The Directors who held office at the date of approval of this Directors' Report confirm that:

- so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**AUDITOR**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP, will therefore continue in office.

This report was approved by the Board of Directors on 30<sup>th</sup> June 2022 and signed on its behalf by



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Mrs A Chugh  
Director

Registered Office: 100 Victoria Embankment, London, EC4Y 0DY

Company registration number **04275539**



**PUKKA HERBS LIMITED****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUKKA HERBS LIMITED****Opinion**

We have audited the financial statements of Pukka Herbs Limited ("the company") for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

**Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate; and
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

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**PUKKA HERBS LIMITED**

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**Fraud and breaches of laws and regulations – ability to detect****Identifying and responding to risks of material misstatement due to fraud**

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors and inspection of policy documentation as to the Company’s high-level policies and procedures to prevent and detect fraud and the Company’s channel for “whistleblowing”, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes
- Considering remuneration incentive schemes and performance targets.
- Using analytical procedures to identify any usual or unexpected relationships.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there is minimal opportunity for fraud given the accounting for the majority of the Company’s sales is non-complex, and subject to limited levels of judgment with limited opportunities for manual intervention in the sales process to fraudulently manipulate revenue. There is also a short time period between order and delivery.

We did not identify any additional fraud risks.

We performed procedures including identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation.

**Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations**

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience through discussion with the Directors and other management (as required by auditing standards), and discussed with the Directors’ and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation, and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: consumer product law, anti-bribery, and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach

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**PUKKA HERBS LIMITED**

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**Context of the ability of the audit to detect fraud or breaches of law or regulation**

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing noncompliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Strategic Report and Directors' Report**

The Directors are responsible for the strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 4, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

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 our opinion in an auditor's report.

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**PUKKA HERBS LIMITED**

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Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at:  
[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our work and to whom we owe our responsibilities**

This report is made solely to the company's directors as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our work has been undertaken so that we as the company's auditor might state to the company's directors those matters we are required to state to them in a report under section 839 of that Act 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 directors as a body for our work, for this report, or for the opinions we have formed.



**Nicholas Willis (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*

15 Canada Square  
Canary Wharf  
London  
E14 5GL  
Date: 30<sup>th</sup> June 2022

**PUKKA HERBS LIMITED****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
Turnover	3	41,617	42,886
Cost of sales		<u>(23,623)</u>	<u>(28,850)</u>
<b>Gross profit</b>		<b>17,994</b>	<b>14,036</b>
Administrative expenses		<b>(16,468)</b>	<b>(17,066)</b>
<b>Operating profit/(loss)</b>	4	<u><b>1,526</b></u>	<u><b>(3,030)</b></u>
Profit on sale of investments		<b>19,295</b>	-
Finance costs	8	<u><b>(49)</b></u>	<u><b>(81)</b></u>
<b>Profit / (loss) before taxation</b>		<b>20,772</b>	<b>(3,111)</b>
Taxation credit / (charge)	9	<u><b>(202)</b></u>	<u><b>663</b></u>
<b>Total comprehensive profit / (loss) for the year</b>		<u><u><b>20,570</b></u></u>	<u><u><b>(2,448)</b></u></u>


The notes on pages 14 to 28 form part of these financial statements.

**PUKKA HERBS LIMITED****STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Intangible assets	10	8	56
Property, plant and equipment	11	<u>2,810</u>	<u>2,714</u>
		<b>2,818</b>	<b>2,770</b>
<b>Current assets</b>			
Inventory	13	5,861	4,091
Trade and other receivables (including £168,000 (2020 £138,000) due after more than one year)	14	34,088	18,968
Cash at bank and in hand		<u>2,625</u>	<u>968</u>
		<b>42,574</b>	<b>24,027</b>
<b>Current liabilities</b>			
Trade payables and other current liabilities	16	<u>(11,818)</u>	<u>(13,413)</u>
<b>Net current assets</b>		<b>30,756</b>	<b>10,614</b>
<b>Total assets less current liabilities</b>		<u><b>33,574</b></u>	<u><b>13,384</b></u>
<b>Non-current liabilities</b>			
Other non-current liabilities	16	<u>(1,669)</u>	<u>(2,049)</u>
<b>Net assets</b>		<u><b>31,905</b></u>	<u><b>11,335</b></u>
<b>Equity and reserves</b>			
Called up Share Capital	17	10	10
Share Premium Account		25	25
Capital contribution reserves		7,027	7,027
Profit and loss account		<u>24,843</u>	<u>4,273</u>
<b>Total shareholders' funds</b>		<u><b>31,905</b></u>	<u><b>11,335</b></u>

The notes on pages 14 to 28 form part of these financial statements.

The financial statements were approved by the Board of Directors on 30<sup>th</sup> June 2022 and were signed on its behalf by



Mrs A Chugh  
Director

**PUKKA HERBS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Called up share capital £000</b>	<b>Share Premium Account £000</b>	<b>Capital Contribution Reserves £000</b>	<b>Profit and loss account £000</b>	<b>Total equity £000</b>
<b>At 1 January 2021</b>	<b>10</b>	<b>25</b>	<b>7,027</b>	<b>4,273</b>	<b>11,335</b>
Profit/(Loss) and comprehensive income for the year	-	-	-	20,570	20,570
<b>At 31 December 2021</b>	<b>10</b>	<b>25</b>	<b>7,027</b>	<b>24,843</b>	<b>31,905</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Called up share capital £000</b>	<b>Share Premium Account £000</b>	<b>Capital Contribution reserves £000</b>	<b>Profit and loss account £000</b>	<b>Total equity £000</b>
<b>At 1 January 2020</b>	<b>10</b>	<b>25</b>	<b>7,027</b>	<b>6,721</b>	<b>13,783</b>
Loss and comprehensive income for the period	-	-	-	(2,448)	(2,448)
<b>At 31 December 2020</b>	<b>10</b>	<b>25</b>	<b>7,027</b>	<b>4,273</b>	<b>11,335</b>

The notes on pages 14 to 28 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

**1. ACCOUNTING POLICIES****1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

Pukka Herbs Limited is a private Company incorporated, domiciled and registered in England. The registered number is 04275539 and the registered office is 100 Victoria Embankment, London, EC4Y 0DY.

The Company are exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare Group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Accounting Standards as adopted by the EU ("Adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006 and has been set out below where advantages of the FRS 101 disclosure exemptions have been taken.

The Company's ultimate parent undertaking, Unilever PLC, includes the Company in its consolidated financial statements. The consolidated financial statements of Unilever PLC are prepared in accordance with International Financial Reporting Standards and provided in the published Unilever PLC Annual Report, available at [www.unilever.com](http://www.unilever.com).

In these financial statements, where applicable, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment properties;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- The effects of new but not yet effective IFRSs;
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy;
- Disclosures in respect of compensation of key management personnel;
- Certain disclosure regarding revenue; and
- Disclosures in respect of capital management.

As the consolidated financial statements of Unilever PLC includes equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures where applicable:

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.



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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

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**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS (continued)**

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

**1.2 MEASUREMENT CONVENTION**

The financial statements are prepared on the historical cost basis.

**1.3 GOING CONCERN**

The Directors having made appropriate inquiries of management, considering the factors likely to impact the future of the company (including the impact of COVID 19 and impact of the separation and sale of Unilever's tea businesses) and based on the financial position of the company are satisfied that the use of the going concern assumption is appropriate. Cash flow forecasts have been prepared for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds to meet its liabilities as they fall due for that period.

On 1 October 2021, Unilever completed an internal reorganisation whereby it separated elements of its global tea business into a separate legal structure, and new sub-group, 'ekaterra' or 'the Group', which is held through ekaterra B.V. On 18 November 2021, Unilever announced that it had entered into an agreement to sell ekaterra to CVC Capital Partners Fund VIII (CVC). Completion of the transaction will occur on July 1<sup>st</sup> 2022, once works council consultation processes and regulatory approval procedures are completed. Ekatererra entered various operating model arrangements, and Transitional Service Arrangements (TSAs) (both global and local) with Unilever to ensure business continuing during the separation from Unilever. These TSAs will be exited on a phased basis, with some terminating on 30 June 2022, and others in 2023. The agreements define the obligation of Unilever to deliver a service, and the obligation of the Group to pay for such a service. These agreements cover a broad range of services including sales and marketing, human resources, procurement, customer services, research and development, finance, IT, treasury, legal and tax. The services provided under the TSA arrangements are the same level of services that are delivered to other Unilever entities during the TSA period. The TSAs are an essential part of the separation process, as it provides the Group with the ability to develop business infrastructure that is appropriate as a stand-alone company, without disruption of operations.

The sale of ekaterra is not expected to impact the going concern assessment and as such the Company's trade should continue as is currently forecast.

Consequently, the Directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

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**1.4 INTANGIBLE ASSETS**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortization and any accumulated impairment losses.

The estimated useful lives range as follows:

Software	3 years
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Property, plant and equipment assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged by allocating the cost of assets less their residual value over their estimated useful lives, using the straight-line method. Depreciation is provided on the following basis:

Long-term leasehold property	5 years
Plant and equipment	4 years
Machinery	14 years
Motor vehicles	3 years

The assets residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the statement of comprehensive income.

**1.5 RESEARCH AND DEVELOPMENT**

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits. These are amortised on the straight-line basis over the anticipated life of the benefits arising from the completed product or project.

**1.6 VALUATION OF INVESTMENTS**

Investments in subsidiaries are measured at cost less accumulated impairment.

**1.7 TRADE RECEIVABLES**

Trade receivables are measured at fair value, transactional price for activities supplied in the ordinary course of business less any impairment. If collection is due in one year or less, they are classified as due within one year. If not, they are presented as due after more than one year.

**1.8 CASH AT BANK AND IN HAND**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

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**1.9 INVENTORY**

Inventory are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the weighted average principle and includes expenditure incurred in acquiring the stocks and other costs in bringing them to their existing location and condition. Work in progress and finished goods includes an appropriate share of overheads based on normal operating capacity. The impairment loss is recognised immediately in the Profit and Loss Account.

**1.10 TRADE PAYABLES**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. If payment is due in one year or less, they are classified as due within one year. If not, they are presented as due after more than one year.

**1.11 PROVISIONS**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and loss account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, considering relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**1.12 FOREIGN CURRENCY TRANSLATION**

The Company's functional and presentational currency is GBP.

Transactions in foreign currencies are translated to the Company's functional currencies using the spot exchange rates at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date.

**1.13 TURNOVER**

Turnover comprises sales of goods after deduction of discounts, and sales taxes. Discounts given by the Company include rebates, price reductions and incentives given to customers, promotional couponing and trade communication costs. Accumulated experience is used to estimate the provision for discounts using the most likely amount method: revenue is only recognized to the extent that it is highly probable, and a significant reversal will not occur.

Turnover is recognised when control of the products being sold has transferred to our customer and when there are no longer any unfulfilled obligations to the customer. This is generally on dispatch to the customer but depending on individual customer terms, this can be at the time of delivery or dispatch. This is considered appropriate point where the performance obligations in our contracts are satisfied as the Company no longer has control of the inventory.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

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**1.14 LEASES**

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'trade payables and other liabilities' in the Balance Sheet.

**Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-of-use assets and lease liabilities for lease of low-value of less than £5,000 and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**1.15 PENSIONS AND OTHER POST-RETIREMENT BENEFITS****Defined contribution pension plan**

The group operates a defined contribution pension plan for its employees. A defined contribution plan is a pension plan under which the Company pay fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in the accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered fund.

**1.16 CURRENT AND DEFERRED TAXATION**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

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Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. For investment property that is measured at fair value, deferred tax is provided at the rate applicable to the sale of the property except for that part of the property that is depreciable and the Company's business model is to consume substantially all of the value through use. In the latter case the tax rate applicable to income tax is used.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised or that the Company has determined it is appropriate to recognise the deferred tax asset as it is recoverable due to the fact that the Company is part of a UK group for group relief purposes.

**1.17 FINANCE COSTS**

Finance costs are charged to the Profit and Loss Account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

**2. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Estimates and judgments are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions most likely to have an adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

*Impairment of trade receivables*

The Company makes an estimate of the recoverable value of the trade receivables. When assessing impairment of trade receivables, management considers factors including the ageing profile of receivables and historical experience.

*Impairment of inventory*

The Company has recognised provisions for obsolete and slow moving stock in its financial statements which require management to make judgments. The judgment, estimates and associated assumptions necessary to calculate these provisions are based on historic experience and other reasonable factors.

## PUKKA HERBS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

## 3. ANALYSIS OF TURNOVER

Turnover comprises the invoiced value of the sales of goods and services after deduction of discounts and sales taxes. Turnover is recognised when the risks and rewards of the underlying products have been substantially transferred from the Company to the customer.

The Company is engaged in the sale of consumer products and in the opinion of the Directors, does not carry on classes of business substantially different from each other. Consequently, no segmental analysis of the business is included in these financial statements.

	2021 £000	2020 £000
Sale of goods	41,617	42,886
<b>Turnover</b>	<b>41,617</b>	<b>42,886</b>
	2021 £000	2020 £000
United Kingdom	32,015	27,337
Rest of Europe	4,980	9,738
Rest of the World	4,622	5,811
<b>Total Turnover</b>	<b>41,617</b>	<b>42,886</b>

## 4. OPERATING LOSS

	Note	2021 £'000	2020 £'000
The operating (loss) is stated after (crediting) / debiting:			
Net cost of central activities charged to Unilever group Companies Admin*		(3,693)	(248)
Research and development charges as an expense		823	852
Exchange adjustments		(587)	370
<i>Profit on disposal of assets</i>			
-Investments		19,295	-
-Intangibles		-	-
-of owned tangible fixed assets		-	-
<i>Depreciation</i>			
-on Right of Use Assets	11/19	454	383
-on owned tangible fixed assets	11	300	290
Amortisation of intangible assets	10	48	78

\*In line with the responsibility for the sale of goods in some European markets being transferred to Unilever Group entities, associated centralised costs were recharged to Unilever group Companies.

**PUKKA HERBS LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)****5. AUDITOR'S REMUNERATION**

The Company paid the following amount to its auditors in respect of the audit of the financial statements:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Audit of these financial statements	<u>55</u>	<u>50</u>

**6. EMPLOYEE INFORMATION**

The average number of persons employed by the Company during the period, analysed by category, was as follows:

	<b>2021</b>	<b>2020</b>
	<b>Number of employees</b>	<b>Number of employees</b>
Administration	103	89
Sales	11	18
Warehousing	8	8
<b>Total</b>	<u>122</u>	<u>115</u>

Staff costs, including Directors' remuneration, were as follows:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Staff Costs</b>		
Wages and salaries	6,880	6,345
Social security costs	489	435
Cost of defined contribution scheme	662	461
<b>Total</b>	<u>8,031</u>	<u>7,241</u>

**7. DIRECTORS' REMUNERATION**

The detailed emoluments of Directors who served during the period, and were remunerated by the Company, are below:

<b>All Directors</b>	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Aggregate emoluments	<u>364</u>	<u>245</u>

Directors emoluments are exclusive of the Company's employer's contributions for National Insurance and Pension.

Three Directors were paid by the Company in 2021 (2020: One), the remaining Directors were paid by other Unilever companies on behalf of their services to the Group, including this Company.

## PUKKA HERBS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

**7. DIRECTORS' REMUNERATION (continued)**

Highest paid Director	2021 £000	2020 £000
Aggregate emoluments	<u>174</u>	<u>245</u>

**8. FINANCE COST**

	Note	2021 £000	2020 £000
Bank interest		-	-
Group interest		(3)	(29)
Interest on lease liabilities	20	<u>(46)</u>	<u>(52)</u>
<b>Total finance cost</b>		<u>(49)</u>	<u>(81)</u>

**9. TAXATION**

The taxation charge/(credit) is made up as follows:

**Recognised in the profit and loss account**

	2021 £000	2020 £000
Current tax on income for the year	352	(536)
Adjustments in respect of prior period	-	34
<b>Total current tax (credit)/ charge</b>	<u>352</u>	<u>(502)</u>
<i>Deferred tax (note 16)</i>		
Origination and reversal of temporary differences	(48)	(30)
Adjustments in respect of prior periods	-	(105)
Effect of change in tax rate on opening balances	(101)	(26)
<b>Total deferred tax (credit) / charge</b>	<u>(150)</u>	<u>(161)</u>
<b>Total tax (credit) /charge on ordinary activities</b>	<u>202</u>	<u>(663)</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

9. TAXATION (continued)

On 22 July 2020, the Finance Act 2020 received Royal Assent, confirming that the UK corporation tax rate will remain at 19% from 1 April 2020 onwards. This 19% rate has therefore been used to calculate current tax for the year ended 31 December 2020. In the Government's Budget delivered on 3 March 2021, it was announced that the rate of corporation tax would rise from 19% to 25% from 1 April 2023. This change was substantively enacted on 24 May 2021 and has a consequential effect on the Company's future tax charge which is reflected in the deferred tax asset.

The total tax assessed for the period is lower (2020: higher) than the standard rate of corporation taxation in the UK of 19% (2020: 19%). The differences are explained below:

	2021 £000	2020 £000
<b>Reconciliation of tax expense</b>		
Profit / (loss) for the year	20,772	(3,111)
Tax using the UK corporation tax rate of 19% (2020: 19%)	3,947	(591)
<b>Effects of:</b>		
Non-deductible expenses	22	25
Difference in tax rate for current and deferred tax	(101)	(26)
(Under) / over provided in prior years	-	(71)
Non taxable profit on sale of investments	(3,666)	
<b>Total tax (credit) /charge</b>	<b>202</b>	<b>(663)</b>

10. INTANGIBLE ASSETS

	Computer Software £000
<b>Cost</b>	
At 1 January 2021	239
Additions	-
<b>At 31 December 2021</b>	<b>239</b>
<b>Amortisation</b>	
At 1 January 2021	183
for the year	48
<b>At 31 December 2021</b>	<b>231</b>
<b>Net book value</b>	
<b>At 31 December 2021</b>	<b>8</b>
At 31 December 2020	56

## PUKKA HERBS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

## 11. PROPERTY, PLANT AND EQUIPMENT

	Note	Property £000	Plant and Equipment £000	Motor Vehicles £000	Total £000
<b>Cost</b>					
At 1 January 2021		4,181	535	70	4,786
Additions		189	661	-	850
<b>At 31 December 2021</b>		<b>4,370</b>	<b>1,196</b>	<b>70</b>	<b>5,636</b>
<b>Accumulated depreciation</b>					
At 1 January 2021		1,639	363	70	2,072
Depreciation charge	4	629	125	-	754
<b>At 31 December 2021</b>		<b>2,268</b>	<b>488</b>	<b>70</b>	<b>2,826</b>
<b>At 31 December 2021</b>		<b>2,102</b>	<b>708</b>	<b>-</b>	<b>2,810</b>
At 31 December 2020		2,542	172	-	2,714

## Right of use assets

At 31 December 2021, property, plant and equipment includes right-of-use assets as follows:

	Note	Property £'000	Total £'000
<b>Right-of-use assets</b>			
At 31 December 2021	19	1,875	1,875
At 31 December 2020	19	2,185	2,185

## 12. INVESTMENTS

## Subsidiary undertakings and associates

On October 1<sup>st</sup> 2021, Pukka Herbs Limited sold its investment in subsidiary entity Pukka Herbs Inc to Unilever Tea HoldCo Inc for consideration of €21,470,000. This formed part of the separation of the Unilever tea businesses. At 31 December 2021, the Company holds no investments in subsidiary undertakings and associates.

At 31 December 2020, the Company held investments in subsidiary undertakings and associates as show below:

Name	Country of incorporation	Class of shares held	Holding Direct %	Principal activity
Pukka Herbs Inc	US	Ordinary	100%	Sale of organic herbal teas and remedies

At 31 December 2020 the Company held 100 ordinary shares of US \$0.001.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

13. INVENTORY

	2021 £000	2020 £000
Raw materials and consumables	1,084	1,937
Work in progress	43	71
Finished goods and goods for resale	4,734	2,083
	<u>5,861</u>	<u>4,091</u>

Raw materials and changes in finished goods and work in progress recognised as cost of sales in the year amounted to £23,425,000 (2020: £28,231,000). The write-down of stocks to net realisable value amounted to £576,000 (2020: £618,000). The write-down and reversal are included in cost of sales.

14. TRADE AND OTHER RECEIVABLES

	Note	2021 £000	2020 £000
<b>Non-current receivables</b>			
Deferred taxation	15	168	138
<b>Total</b>		<u>168</u>	<u>138</u>
<b>Current trade and other receivables</b>			
Deferred taxation	15	258	139
Trade receivables		7,327	5,033
Other receivables		1,208	867
Prepayments		214	186
Group relief receivable		185	1,189
Corporation tax receivable		5	5
Amounts owed by Group undertakings		24,723	11,411
<b>Total</b>		<u>33,920</u>	<u>18,830</u>
<b>Total trade and other receivables</b>		<u>34,088</u>	<u>18,968</u>

Amounts owed from Group undertakings include balances with Ekaterina Group Finance B.V (2021: Unilever Finance International AG) which are interest bearing, unsecured and payable on demand. All debtors owed by Group are current and their fair value is equivalent to their carrying value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

15. DEFERRED TAX ASSETS AND LIABILITIES

	Deferred Taxation £'000	
At 1 January 2021	277	
Charged to Profit and Loss	149	
At 31 December 2021	426	

**Recognised deferred tax assets and liabilities**  
*Deferred tax assets and liabilities are attributable to the following:*

	Assets 2021 £000	Assets 2020 £000	Liabilities 2021 £000	Liabilities 2020 £000	Net 2021 £000	Net 2020 £000
Fixed assets	168	138	-	-	168	138
Other short term temporary differences	258	139	-	-	258	139
<b>Total deferred tax asset</b>	<b>426</b>	<b>277</b>	<b>-</b>	<b>-</b>	<b>426</b>	<b>277</b>

*Movement in deferred tax during the period:*

	1 January 2021 £000	Recognised in income £000	31 December 2021 £000
Fixed assets	138	30	168
Other short term temporary differences	139	119	258
<b>Total deferred tax asset</b>	<b>277</b>	<b>149</b>	<b>426</b>

*Movement in deferred tax during the prior year:*

	1 January 2020 £000	Recognised in income £000	31 December 2020 £000
Tangible fixed assets	72	66	138
Other short term temporary differences	44	95	139
<b>Total deferred tax asset</b>	<b>116</b>	<b>161</b>	<b>277</b>

**PUKKA HERBS LIMITED****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)****16. TRADE PAYABLES AND OTHER LIABILITIES**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Current trade payables and other liabilities</b>		
Trade payables	3,615	2,499
Other payables	33	1,531
Amounts owed to Group undertakings	3,075	5,142
Other taxation and social security	277	166
Accruals	4,359	3,674
Lease liability	459	401
<b>Total current trade payables and other liabilities</b>	<b>11,818</b>	<b>13,413</b>
<b>Other non-current liabilities</b>		
Lease liability	1,669	2,049
<b>Total</b>	<b>13,487</b>	<b>15,462</b>

**17. CALLED UP SHARE CAPITAL**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Allotted, called up and fully paid</b>		
1,043,200 ordinary shares of £0.01 each	10	10
<b>Total called up share capital</b>	<b>10</b>	<b>10</b>

**18. PENSION COMMITMENTS**

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £662,000 (2020: £461,000). At the year end the Company had contributions outstanding of £49,000 (2020: £42,000).

## PUKKA HERBS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

## 19. LEASES

*Right-of-use assets*

Right-of-use assets related to lease properties that do not meet the definition of investment properties are presented as property, plant and equipment (see note 12):

	Note	Land and Buildings £000	Total £000
Balance at 1 January 2021	11	2,185	2,185
Additions in the year		144	-
Depreciation charge for the year	4	(454)	(383)
<b>Balance at 31 December 2021</b>		<b>1,875</b>	<b>1,875</b>
Balance at 31 December 2020	11	2,185	2,185

*Amounts recognised in profit or loss*

The following amounts have been recognised in profit or loss for which the Company is a lessee:

		2021 £'000	2020 £'000
	Note		
<b>Leases under IFR16</b>			
Interest expense on lease liabilities	8	46	52
Depreciation	4	455	383

The Company leases office premises and a warehouse as finance leases under IFRS 16.

The total cash outflow for leases in 2021 was £529,000 (2020: £445,000).

## 20. CONTROLLING PARTY

The ultimate parent company and controlling party is Unilever PLC and the immediate holding company is Ekaterina Holdco UK Limited, both companies incorporated in England. The Company has not disclosed transactions with fellow, wholly owned subsidiaries in accordance with the exemption under the terms of FRS 101 as the ultimate parent company produces publicly available consolidated financial statements. These financial statements are both the smallest and largest group to consolidate these financial statements. Copies of Unilever Group financial statements can be publicly obtained from Unilever PLC, Corporate Secretaries department 100 Victoria Embankment, London EC4 0DY and [www.unilever.com](http://www.unilever.com).