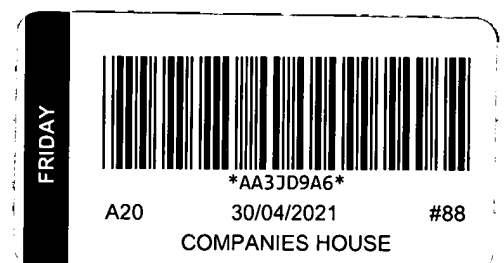


**THE SALVATORI GROUP OF COMPANIES
LIMITED**

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE PERIOD ENDED 30 JUNE 2020



THE SALVATORI GROUP OF COMPANIES LIMITED
REGISTERED NUMBER: 02806417

BALANCE SHEET
AS AT 30 JUNE 2020

		30 June 2020 £	31 December 2018 £
FIXED ASSETS			
Tangible assets	4	1,260,964	1,229,233
Investments	5	320	305,030
		<u>1,261,284</u>	<u>1,534,263</u>
CURRENT ASSETS			
Stocks		1,363	871
Debtors: amounts falling due within one year	6	852,862	1,145,699
Cash at bank and in hand	7	-	76,633
		<u>854,225</u>	<u>1,223,203</u>
Creditors: amounts falling due within one year	8	(825,078)	(1,375,286)
NET CURRENT ASSETS/(LIABILITIES)		<u>29,147</u>	<u>(152,083)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,290,431</u>	<u>1,382,180</u>
Creditors: amounts falling due after more than one year	9	(260,126)	(254,933)
PROVISIONS FOR LIABILITIES			
Deferred tax		(86,196)	(83,575)
NET ASSETS		<u><u>944,109</u></u>	<u><u>1,043,672</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	12,143	12,143
Profit and loss account	14	931,966	1,031,529
		<u><u>944,109</u></u>	<u><u>1,043,672</u></u>

THE SALVATORI GROUP OF COMPANIES LIMITED
REGISTERED NUMBER: 02806417

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2020

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 March 2021.



D L Tobin
Director

The notes on pages 4 to 14 form part of these financial statements.

THE SALVATORI GROUP OF COMPANIES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2020**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	12,143	1,031,529	1,043,672
COMPREHENSIVE INCOME FOR THE PERIOD			
Profit for the period	-	317,749	317,749
CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS			
Dividends: Equity capital	-	(112,602)	(112,602)
Other distribution	-	(304,710)	(304,710)
AT 30 JUNE 2020	<u>12,143</u>	<u>931,966</u>	<u>944,109</u>

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2018**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2018	12,143	956,934	969,077
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	222,963	222,963
CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS			
Dividends: Equity capital	-	(148,368)	(148,368)
AT 31 DECEMBER 2018	<u>12,143</u>	<u>1,031,529</u>	<u>1,043,672</u>

The notes on pages 4 to 14 form part of these financial statements.

THE SALVATORI GROUP OF COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

1. General information

The Salvatori Group of Companies Limited is a private company limited by shares and is incorporated in England and Wales. The company registration number is 02806417.

The registered office of the company is 4 Covert Road, Aylesham Industrial Estate, Aylesham, Kent, CT3 3EQ, England.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

THE SALVATORI GROUP OF COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.5 Finance costs

Finance costs are charged to profit or loss 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. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

THE SALVATORI GROUP OF COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

2. Accounting policies (continued)

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Tangible fixed assets

Tangible fixed 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

THE SALVATORI GROUP OF COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

Depreciation is charged so as to allocate 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:

Short-term leasehold property	- 7% straight line basis
Plant and machinery	- 10% - 33% straight line basis
Motor vehicles	- 20% - 50% straight line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a 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 in profit or loss.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.11 Stocks

Stocks 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 cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 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 are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Creditors

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

THE SALVATORI GROUP OF COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

2. Accounting policies (continued)

2.15 Provisions for liabilities

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 profit or loss 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, taking into account relevant risks and uncertainties.

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

2.16 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the period was 23 (2018 - 19).

THE SALVATORI GROUP OF COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020

4. Tangible fixed assets

	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2019	37,524	1,473,728	66,582	51,633	1,629,467
Additions	50,858	178,534	71,776	39,838	341,006
Disposals	-	(15,165)	(35,624)	-	(50,789)
At 30 June 2020	<u>88,382</u>	<u>1,637,097</u>	<u>102,734</u>	<u>91,471</u>	<u>1,919,684</u>
Depreciation					
At 1 January 2019	625	324,844	41,568	33,197	400,234
Charge for the period on owned assets	6,742	243,710	23,873	25,450	299,775
Disposals	-	(15,165)	(26,124)	-	(41,289)
At 30 June 2020	<u>7,367</u>	<u>553,389</u>	<u>39,317</u>	<u>58,647</u>	<u>658,720</u>
Net book value					
At 30 June 2020	<u>81,015</u>	<u>1,083,708</u>	<u>63,417</u>	<u>32,824</u>	<u>1,260,964</u>
At 31 December 2018	<u>36,899</u>	<u>1,148,884</u>	<u>25,014</u>	<u>18,436</u>	<u>1,229,233</u>

The net book value of land and buildings may be further analysed as follows:

	30 June 2020 £	31 December 2018 £
Short leasehold	81,015	36,899
	<u>81,015</u>	<u>36,899</u>

THE SALVATORI GROUP OF COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020

4. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	30 June 2020 £	31 December 2018 £
Plant and machinery	385,640	385,532
Motor vehicles	89,515	24,014
	<u>475,155</u>	<u>409,546</u>

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2019	305,030
Disposals	(304,710)
At 30 June 2020	<u>320</u>

During the period a demerger was carried out in accordance with s1076 CTA 2010 and the relevant investments were disposed.

THE SALVATORI GROUP OF COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020

6. Debtors

	30 June 2020 £	31 December 2018 £
Trade debtors	308,810	341,224
Amounts owed by group undertakings	-	738,754
Other debtors	388,292	4,341
Prepayments and accrued income	155,760	61,380
	<u>852,862</u>	<u>1,145,699</u>

7. Cash and cash equivalents

	30 June 2020 £	31 December 2018 £
Cash at bank and in hand	-	76,633
Less: bank overdrafts	(7,236)	-
	<u>(7,236)</u>	<u>76,633</u>

8. Creditors: Amounts falling due within one year

	30 June 2020 £	31 December 2018 £
Bank overdrafts	7,236	-
Trade creditors	277,764	343,001
Amounts owed to group undertakings	-	544,637
Other taxation and social security	122,551	75,242
Obligations under finance lease and hire purchase contracts	200,272	100,114
Other creditors	157,034	213,777
Accruals and deferred income	60,221	98,515
	<u>825,078</u>	<u>1,375,286</u>

Finance lease and hire purchase contracts are secured on the asset concerned.

THE SALVATORI GROUP OF COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020

9. Creditors: Amounts falling due after more than one year

	30 June 2020 £	31 December 2018 £
Net obligations under finance leases and hire purchase contracts	260,126	254,933
	<u>260,126</u>	<u>254,933</u>

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	30 June 2020 £	31 December 2018 £
Within one year	200,272	100,114
Between 1-5 years	260,126	254,933
	<u>460,398</u>	<u>355,047</u>

11. Financial instruments

	30 June 2020 £	31 December 2018 £
Financial assets		
Financial assets measured at fair value through profit or loss	-	76,633
	<u>-</u>	<u>76,633</u>

Financial assets measured at fair value through profit or loss comprise of bank and cash in hand.

THE SALVATORI GROUP OF COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2020

12. Deferred taxation

	2020 £	2018 £
At beginning of year	83,575	81,527
Charged to profit or loss	2,621	2,048
At end of year	86,196	83,575

The provision for deferred taxation is made up as follows:

	30 June 2020 £	31 December 2018 £
Accelerated capital allowances	86,196	83,575
	86,196	83,575

13. Share capital

	30 June 2020 £	31 December 2018 £
Allotted, called up and fully paid		
82,429 (2018 - 82,429) Ordinary A shares shares of £0.10 each	8,243	8,243
2,571 (2018 - 2,571) Ordinary B shares shares of £0.10 each	257	257
36,429 (2018 - 36,429) Ordinary C shares shares of £0.10 each	3,643	3,643
	12,143	12,143

THE SALVATORI GROUP OF COMPANIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

14. Reserves

Profit and loss account

Includes distributable post-tax reserves less dividends payable and a distribution arising on the demerger.

15. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. Contributions totalling £2,334 (2018: £1,112) were payable to the fund at the balance sheet date.

16. Related party transactions

The following related party transactions took place within the year:

During the period the company supplied goods and services to A Salvatori and Son Limited of £917,549 (2018: £1,056,974) and purchased goods and services from A Salvatori and Son Limited of £132,363 (2018: £88,494). At the balance sheet date the amount due from A Salvatori Limited was £355,649 (2019: £544,637 was owed to A Salvatori Limited). The directors D A Salvatori and D Tobin are directors of A Salvatori and Son Limited.

During the period the company supplied goods and services to Salvatori Logistics Limited of £648,981 (2018: £536,018) and purchased goods and services from Salvatori Logistics Limited of £225,935 (2018: £78,011). At the balance sheet date the amount due from Salvatori Logistics Limited was £13,498 (2018: £738,754). The directors D A Salvatori and D Tobin are directors of Salvatori Logistics Limited.

During the period the company supplied goods and services to A Salvatori Retirement Benefit Scheme of £33,753 (2018: £13,217) and purchased services of £315,000 (2018: £208,333) from A Salvatori Retirement Benefit Scheme. The director D A Salvatori is a beneficiary of A Salvatori Retirement Benefit Scheme.

During the period the company supplied goods and services to The Salvatori Property Investments Limited and A Salvatori and Son Benefit Scheme joint venture of £Nil (2018: £4,184). The director D A Salvatori is a beneficiary of A Salvatori Retirement Benefit Scheme and the director D Tobin is a director of Salvatori Property Investments Limited.

17. Controlling party

The controlling party of the company is the director, Mr D Salvatori who directly controls 70% of the issued share capital of the company.