

Company registration number 02885440 (England and Wales)

**CASTELLI MILANO 1938 LIMITED (FORMERLY CASTELLI (DIARIES)  
LIMITED)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

**PAGES FOR FILING WITH REGISTRAR**



# **CASTELLI MILANO 1938 LIMITED (FORMERLY CASTELLI (DIARIES) LIMITED)**

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# CASTELLI MILANO 1938 LIMITED (FORMERLY CASTELLI (DIARIES) LIMITED)

## BALANCE SHEET

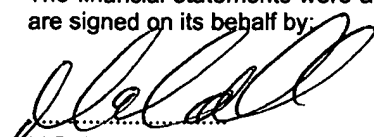
AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Intangible assets	4		119,248		140,557
Tangible assets	5		3,713,121		3,893,239
Investments	6		1		1
			<u>3,832,370</u>		<u>4,033,797</u>
<b>Current assets</b>					
Stocks		1,825,873		1,334,424	
Debtors	7	1,541,083		2,955,910	
Cash at bank and in hand		1,118,351		468,241	
		<u>4,485,307</u>		<u>4,758,575</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(1,274,484)</u>		<u>(1,259,286)</u>	
<b>Net current assets</b>			<u>3,210,823</u>		<u>3,499,289</u>
<b>Total assets less current liabilities</b>			7,043,193		7,533,086
<b>Creditors: amounts falling due after more than one year</b>	9		(1,115,841)		(1,458,221)
<b>Provisions for liabilities</b>			<u>(214,049)</u>		<u>(235,416)</u>
<b>Net assets</b>			<u>5,713,303</u>		<u>5,839,449</u>
<b>Capital and reserves</b>					
Called up share capital			3,786,527		3,786,527
Profit and loss reserves			1,926,776		2,052,922
<b>Total equity</b>			<u>5,713,303</u>		<u>5,839,449</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 18.07.23 and are signed on its behalf by:

  
M Poland  
Director

Company Registration No. 02885440

# CASTELLI MILANO 1938 LIMITED (FORMERLY CASTELLI (DIARIES) LIMITED)

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2021</b>	3,786,527	2,788,653	6,575,180
<b>Year ended 31 December 2021:</b>			
Loss and total comprehensive income for the year	-	(735,731)	(735,731)
<b>Balance at 31 December 2021</b>	3,786,527	2,052,922	5,839,449
<b>Year ended 31 December 2022:</b>			
Loss and total comprehensive income for the year	-	(126,146)	(126,146)
<b>Balance at 31 December 2022</b>	3,786,527	1,926,776	5,713,303

# CASTELLI MILANO 1938 LIMITED (FORMERLY CASTELLI (DIARIES) LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

#### Company information

Castelli Milano 1938 Limited (formerly Castelli (Diaries) Limited) is a private company limited by shares incorporated in England and Wales. The registered office is Dowding Way, Tunbridge Wells, Kent, TN2 3UY.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the accruals basis of accounting and going concern basis (see Directors' Report) using a number of measurement bases as set out in the accounting policies below. Information about estimates and judgements used are set out in the accounting policies and other notes to the financial statements, the most significant being revenue recognition and recoverability of trade and other debtors. The functional currency of the company is pounds sterling. The financial statements are presented in pounds sterling and unless otherwise indicated, are rounded to the nearest pound.

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

#### 1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Trade mark	10% per annum on cost
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#### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Cost of buildings and land is not depreciated
Plant and machinery	10% per annum on cost
Fixtures and fittings	25% per annum on net book value

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# CASTELLI MILANO 1938 LIMITED (FORMERLY CASTELLI (DIARIES) LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Cost is calculated using the first in, first out (FIFO) method.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# CASTELLI MILANO 1938 LIMITED (FORMERLY CASTELLI (DIARIES) LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. No impairment adjustment is recognised in profit or loss as it would not be material.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# CASTELLI MILANO 1938 LIMITED (FORMERLY CASTELLI (DIARIES) LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

#### **Other financial liabilities**

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### **1.10 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.11 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.



# CASTELLI MILANO 1938 LIMITED (FORMERLY CASTELLI (DIARIES) LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.12 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

The company makes contributions to a group personal pension plan, a defined contribution scheme, the assets of the scheme being held separately from the assets of the company. The pension cost charge represents contributions payable to the scheme. The company's liability is limited to the amount of the contribution.

#### **1.13 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### **1.14 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

# CASTELLI MILANO 1938 LIMITED (FORMERLY CASTELLI (DIARIES) LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no significant estimates or assumptions which could have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

### 3 Employees

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

	2022 Number	2021 Number
Total	40	48

### 4 Intangible fixed assets

	Trade mark £
<b>Cost</b>	
At 1 January 2022 and 31 December 2022	542,340
<b>Amortisation and impairment</b>	
At 1 January 2022	401,783
Amortisation charged for the year	21,309
At 31 December 2022	423,092
<b>Carrying amount</b>	
At 31 December 2022	119,248
At 31 December 2021	140,557

# CASTELLI MILANO 1938 LIMITED (FORMERLY CASTELLI (DIARIES) LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

### 5 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 January 2022	3,541,635	2,128,311	1,219,648	6,889,594
Additions	-	11,492	54,013	65,505
At 31 December 2022	3,541,635	2,139,803	1,273,661	6,955,099
<b>Depreciation and impairment</b>				
At 1 January 2022	927,917	978,271	1,090,167	2,996,355
Depreciation charged in the year	-	243,807	1,816	245,623
At 31 December 2022	927,917	1,222,078	1,091,983	3,241,978
<b>Carrying amount</b>				
At 31 December 2022	2,613,718	917,725	181,678	3,713,121
At 31 December 2021	2,613,718	1,150,040	129,481	3,893,239

### 6 Fixed asset investments

	2022 £	2021 £
Shares in group undertakings and participating interests	1	1

### 7 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,307,034	2,654,600
Corporation tax recoverable	106,133	182,568
Amounts owed by group undertakings	-	10,495
Other debtors	127,916	108,247
	1,541,083	2,955,910

# CASTELLI MILANO 1938 LIMITED (FORMERLY CASTELLI (DIARIES) LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 8 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	100,000	100,000
Trade creditors	586,662	214,589
Amounts owed to group undertakings	3,622	147,574
Taxation and social security	254,678	499,879
Other creditors	329,522	297,244
	<u>1,274,484</u>	<u>1,259,286</u>

### 9 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans and overdrafts	1,000,000	1,100,000
Other creditors	115,841	358,221
	<u>1,115,841</u>	<u>1,458,221</u>

### 10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The statutory auditor was Sam Thomas and the auditor was Azets Audit Services.

### 11 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022 £	2021 £
	<u>104,725</u>	<u>35,981</u>

### 12 Related party transactions

Under FRS 102 1A, the entity is not required to disclosure related party transactions with group companies.

# **CASTELLI MILANO 1938 LIMITED (FORMERLY CASTELLI (DIARIES) LIMITED)**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2022***

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### **13 Parent company**

The company's parent undertaking and ultimate controlling party is Castelli Spa (formerly Boost SpA), a public limited company registered in Italy whose registered address is Via Dante, Alighieri 12, San Paolo D'Argon, Bergamo, 24060 Italy.