

Company Registration No. 05874229 (England and Wales)

PRESTAT GROUP LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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PRESTAT GROUP LTD

COMPANY INFORMATION

Directors Gian Luca Scatena (appointed on 17 May 2023)
 Licerio Degrassi (appointed on 22 March 2023)
 Susan Ennis (appointed on 17 February 2022)
 Lamberto Vallarino Gancia (appointed on 27 April 2022)
 Edoardo Pozzoli (appointed on 24 October 2022)
 Chantal Jane Coady (appointed on 21 September 2022)
 Micaela Illy (resigned on 22 February 2023)
 Andrea Macchione (resigned on 20 March 2023)

Company Number 05874229

Registered office Unit 8
 Powergate Business Park
 Volt Avenue, Park Royal
 London
 NW10 6PW

Auditor N7 Accountants Limited
 Central House,
 1 Ballards Lane
 London
 N3 1LQ

PRESTAT GROUP LTD

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PRESTAT GROUP LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and financial statements for the year ended 31 DECEMBER 2022.

Principal activities

The principal activity of the company continued to be that of a holding company. The company's subsidiaries are Prestat Limited, Marasu's Petits Fours Limited and Rococo Chocolatier Ltd which was acquired during the year under review. The principal activities of the subsidiaries are the manufacture, retails & wholesale of fine chocolates, petits fours, biscuits and mince pies.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Gian Luca Scatena (appointed on 17 May 2023)
Licerio Degrassi (appointed on 22 March 2023)
Susan Ennis (appointed on 17 February 2022)
Lamberto Vallarino Gancia (appointed on 27 April 2022)
Edoardo Pozzoli (appointed on 24 October 2022)
Chantal Jane Coady (appointed on 21 September 2022)
Micaela Illy (resigned on 22 February 2023)
Andrea Macchione (resigned on 20 March 2023)

Auditor

N7 Accountants Limited were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRESTAT GROUP LTD
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

The financial statements have been prepared on a going concern basis.

After careful consideration of forecast cash flows and expected trading performance in addition to the post balance sheet transactions, the directors believe that the company will be able to meet its liabilities as they fall due, for a period of at least 12 months from the date of approval of these financial statements using existing working capital and ongoing financial support from the parent company. The directors have therefore concluded that it is appropriate to adopt the going concern basis for the preparation of these financial statements.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Susan Ennis

Director
8 August 2023



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESTAT GROUP LTD

Opinion

We have audited the financial statements of PRESTAT GROUP LTD for the year ended 31 December 2022 which comprise of the Profit and loss account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 12, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

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Nicosia office
Strovolou Avenue, 259, office 102
2051, Nicosia, Cyprus
Tel. +357 77 788302



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESTAT GROUP LTD continued

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained with the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESTAT GROUP LTD continued

Responsibilities of directors

As explained more fully in the directors' responsibilities 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach to identifying and assessing the risks of material misstatements in respect of irregularities, including fraud and non-compliance with laws was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those relating to the reporting framework (United Kingdom Generally Accepted Accounting Practice) and the relevant direct and indirect tax compliance regulations.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESTAT GROUP LTD continued

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the company's activity.
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection.
- We understood how Prestat Group Ltd is complying with those frameworks by making enquiries with management to understand how the group maintains and communicates its policies and procedures to ensure compliance. We corroborated this through our review of the group's board minutes. We also reviewed correspondence with the relevant tax authorities regarding tax compliance.
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by:
 - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
 - considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
 - understanding the potential incentives and pressures for management to manipulate the financial statements and performed procedures to understand the areas in which this would most likely arise. Based on our risk assessment procedures on this Company as a holding entity, we identified management override of controls as our fraud risk.
- To address our fraud risk of management override of controls, we performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining any accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation.
- reading the minutes of meetings of those charged with governance.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESTAT GROUP LTD continued


laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.


.....
Evangelos Charalambous FCCA (Senior Statutory Auditor)
for and on behalf of N7 Accountants Limited
Statutory Auditors
Central House
1 Ballards Lane
London
N31LQ

Date: 8 August 2023

PRESTAT GROUP LTD
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£	£
Turnover	148,557	-
Administrative expenses	(481,697)	(145,061)
Other operating income	-	-
Operating loss	(333,140)	(145,061)
Interest receivable and similar income	-	-
Interest payable and similar expenses	(99,629)	(53,933)
Loss before taxation	(432,769)	(198,993)
Tax on Profit	-	-
Loss for the financial year	(432,769)	(198,993)

The notes on pages 11 to 14 form part of these financial statements.

PRESTAT GROUP LTD
BALANCE SHEET
AS AT 31 DECEMBER 2022

		2022	2021
	Notes	£	£
Fixed assets			
Investments	4	3,039,267	2,879,267
Intangible assets	5	24,525	
		<u>3,063,792</u>	
Current assets			
Debtors	6	5,316,402	3,849,155
Cash at bank and in hand		89,749	1,592
		<u>5,406,152</u>	<u>3,850,747</u>
Creditors: amounts falling due within one year	7	<u>(2,608,787)</u>	<u>(2,303,518)</u>
Net current assets		<u>2,797,364</u>	<u>1,547,229</u>
Total assets less current liabilities		<u>5,861,157</u>	<u>4,426,496</u>
Creditors: amounts falling due after more than one year	8	<u>(3,232,433)</u>	<u>(2,420,503)</u>
Provisions for liabilities		<u>(871)</u>	<u>(871)</u>
Net assets		<u>2,627,853</u>	<u>2,005,122</u>
Capital and reserves			
Called up share capital	9	2,207	1,873
Share premium account		3,327,194	2,272,028
Profit and loss reserves		(701,548)	(268,779)
Total equity		<u>2,627,853</u>	<u>2,005,122</u>

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

The financial statements were approved by the director and authorised for issue on 8 August 2023, and are signed by:



Susan Ennis

Director

Company registration number: 05874229

PRESTAT GROUP LTD
Statement of Changes in Equity
For the period from 1 January 2021 to 31 December 2022

	Called up share capital	Share premium account	Profit and Loss Account	Total
	£	£	£	£
At 1 January 2022	1,873	2,272,028	(268,779)	2,005,122
Issued Ordinary share Capital	334	-	-	334
Share premium	-	1,055,166	-	1,055,166
Loss for the year	-	-	(432,769)	(432,769)
Total comprehensive income for the year	-	-	(432,769)	(432,769)
At 31 December 2021	2,207	3,327,194	(701,548)	2,627,853

PRESTAT GROUP LTD

Notes to the Financial Statements

Period ended 31 DECEMBER 2022

1 Accounting policies

Company information

Prestat Group Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Unit 8, Powergate Business Park, Volt Avenue, London, NW10 6PW

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 under the historical cost convention. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Prestat Group Ltd is a wholly owned subsidiary of Gruppo Illy S.p.A. and the results of Prestat Group Ltd are included in the consolidated financial statements of Gruppo Illy S.p.A. The registered office address of Gruppo Illy S.p.A. is via Della Mercede 11 – Roma 00187 and the administrative office address is via Flavia 112 –Trieste 34147 – Italy.

1.2 Going concern

The financial statements have been prepared on a going concern basis.

After careful consideration of forecast cash flows and expected trading performance in addition to the post balance sheet transactions, the directors believe that the company will be able to meet its liabilities as they fall due, for a period of at least 12 months from the date of approval of these financial statements using existing working capital and ongoing financial support from the parent company. The directors have therefore concluded that it is appropriate to adopt the going concern basis for the preparation of these financial statements.

1.3 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.

Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Software platform	5 years
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1.4 Cash at bank and in hand

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.

PRESTAT GROUP LTD
Notes to the Financial Statements *(continued)*
Period ended 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 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.

1.6 Exceptional items

During the financial year the Company acquired a business from administration whose principal activities are the manufacture and retails of fine chocolates and was incorporated in a new company called Rococo Chocolatier Limited.

1.7 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.8 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.

1.9 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.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was 3 (2021: 1).

PRESTAT GROUP LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

4 Investment

	2022	2021
	£	£
Shares in group undertakings and participating interest	3,063,792	2,879,267
	<u>3,063,792</u>	<u>2,879,267</u>

5 Intangible fixed assets

	Intangibles £	Total £
Cost		
At 1 January 2022	-	-
Additions	25,371	25,371
	<u>25,371</u>	<u>25,371</u>
At 31 DECEMBER 2022	25,371	25,371
Amortisation and impairment		
At 1 January 2022	-	-
Charge for the year	846	846
	<u>846</u>	<u>846</u>
At 31 December 2022	24,525	24,525
Carrying amount		
At 31 December 2022	24,525	24,525

6 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	490,139	341,582
Other debtors	2,200	159,344
	<u>492,339</u>	<u>500,926</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	4,824,063	3,348,229
	<u>4,824,063</u>	<u>3,348,229</u>
Total debtors	<u>5,316,402</u>	<u>3,849,155</u>

PRESTAT GROUP LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

7 Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	1,162,298	2,204,105
Amounts owed to parent company	1,363,432	-
Trade creditors	35,473	4,267
Other creditors	47,584	95,146
	2,608,787	2,303,518

The bank loans and overdraft accounts are secured by fixed and floating charges over all the company's assets, together with an unlimited inter-company guarantee.

8 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	25,001	47,225
Third party loans	1,596,169	-
Amounts owed to group undertakings	689,198	1,985,937
	3,232,433	2,033,162

9 Called up share capital

	2022	2021
	£	£
Ordinary share capital		
Issued and fully paid		
1,207 Ordinary shares of £1 each	1,207	873
Preference share capital		
Issued and fully paid		
1,000 Preference shares of £1 each	1,000	1,000
Total equity share capital	2,207	1,873

PRESTAT GROUP LTD
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

10 Related Party Transaction

The company is a wholly owned subsidiary of Gruppo Illy S.p.A., an entity registered in Italy. The largest group for which accounts are prepared is that headed by Gruppo Illy S.p.A. The smallest group for which accounts are prepared is that headed by Polo del Gusto. Copies of the ultimate holding company's financial statements can be obtained by writing to Gruppo Illy S.p.A., via Della Mercede 11 – Roma 00187.

As a wholly owned subsidiary the company is exempt from disclosing related party transactions with other members of the group.

11 Events After The Reporting Period

There were no material events after the reporting period, which have a bearing on the understanding of the financial statements.