

**E R ASSOCIATES (ITALY) LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

BALANCE SHEET  
AS AT 31 DECEMBER 2019

|  | Note | 2019<br>£        | 2018<br>£        |
|--|------|------------------|------------------|
| <b>Current assets</b>                          |      |                  |                  |
| Debtors: amounts falling due within one year   | 4    | 364,826          | 329,022          |
|  |      | <u>364,826</u>   | <u>329,022</u>   |
| Creditors: amounts falling due within one year | 5    | (351,045)        | (171,120)        |
|  |      | <u>(351,045)</u> | <u>(171,120)</u> |
| <b>Net current assets</b>                      |      | <b>13,781</b>    | 157,902          |
| <b>Total assets less current liabilities</b>   |      | <b>13,781</b>    | 157,902          |
|  |      | <u>13,781</u>    | <u>157,902</u>   |
| <b>Net assets</b>                              |      | <b>13,781</b>    | 157,902          |
|  |      | <u>13,781</u>    | <u>157,902</u>   |
| <b>Capital and reserves</b>                    |      |                  |                  |
| Called up share capital                        |      | 2                | 2                |
| Profit and loss account                        |      | 13,779           | 157,900          |
|  |      | <u>13,779</u>    | <u>157,900</u>   |
|  |      | <b>13,781</b>    | 157,902          |
|  |      | <u>13,781</u>    | <u>157,902</u>   |

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 income and retained earnings 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 by:

.....  
**Mr R Clucas**

Director

Date: 4 September 2020

The notes on pages 2 to 5 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1. General information**

E R Associates (Italy) Limited is a company limited by shares incorporated in England and Wales within the United Kingdom. The address of the registered office is 40 Churchill Square, Kings Hill, West Malling, Kent, ME19 4YU.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest pound.

The financial statements have been prepared on a going concern basis which is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern. The Directors have considered the impact of Covid-19 as part of their going concern assessment. A written commitment to the provision of support for at least twelve months has been received from Montgomery Investment Company SA, the parent company, should that support be required.

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 (see note 3).

The following principal accounting policies have been applied:

**2.2 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:

**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.

**NOTES TO THE FINANCIAL STATEMENTS  
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**2. Accounting policies (continued)**

**2.3 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.

**2.4 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.

**2.5 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 average rate of exchange 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.

**2.6 Taxation**

Tax is recognised in the Statement of Income and Retained Earnings, 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.

**2.7 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.

**2.8 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

No judgments have been made in the process of applying the above accounting policies that have had a significant effect on amounts recognised in the financial statements.

No key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year have been made.

**4. Debtors**

|                                    | 2019<br>£      | 2018<br>£      |
|------------------------------------|----------------|----------------|
| Trade debtors                      | 14,983         | -              |
| Amounts owed by group undertakings | 315,383        | 311,159        |
| Other debtors                      | -              | 137            |
| Prepayments and accrued income     | 34,460         | 17,726         |
|                                    | <u>364,826</u> | <u>329,022</u> |

**5. Creditors: Amounts falling due within one year**

|                                    | 2019<br>£      | 2018<br>£      |
|------------------------------------|----------------|----------------|
| Trade creditors                    | 12,393         | 11,719         |
| Amounts owed to group undertakings | 79,847         | 60,288         |
| Corporation tax                    | -              | 3,332          |
| Other creditors                    | 15,802         | -              |
| Accruals and deferred income       | 243,003        | 95,781         |
|                                    | <u>351,045</u> | <u>171,120</u> |

**6. Ultimate parent entity and controlling party**

The immediate parent company is E R Associates (Europe) Limited, registered in England and Wales. No parent undertaking is required to produce group accounts.

The ultimate controlling undertaking is Vancouver Trust, a trust registered in Guernsey, over which no individual exercises control. The ultimate controlling party is deemed to be Mr C F Marfleet by virtue of his interest in Vancouver Trust and his ability to direct the financial and operating policies of E R Associates (Italy) Limited.

**NOTES TO THE FINANCIAL STATEMENTS  
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**7. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 28 September 2020 by Duncan Cochrane-Dyet FCA (Senior Statutory Auditor) on behalf of MHA MacIntyre Hudson.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.