C 82218

STIVALA GROUP FINANCE P.L.C

Unaudited Financial Statements
31st December 2017

Statement of Financial position

	Notes	As at 31-Dec 2017 €
Non Current Assets		
Investment in subsidiary	2	**45,004,895**
Current Assets		
Other receivables	3	506,000
Cash in hand and bank		1,356
Shareholders current balance	4	47,896
Total Assets		**45,560,147**
EQUITY AND LIABILITIES		
Equity		
Share capital	5	300,000
Accumulated profits		12,571
Total Equity		**312,571**
Current Liabilities		
Other payables	6	454,770
Debt securities in issue	7	44,595,000
Intercompany balances	8	197,806
Total Liabilities		**45,247,576**
Total Equity and Liabilities		**45,560,147**

The Unaudited financial statements on Pages 1 to 9 were authorised for issue by the board on 30 April 2018 and were signed on its behalf by:

Michael Stivala
Director

Carlo Stivala
Director

Martin Stivala
Director

Ivan Stivala
Director

Francis Gouder
Non Executive Director

Income Statement

	Note	Period from 21-Aug 2017 to 31-Dec 2017
		€
Dividend income	1.8	506,000
Administrative Expenses	9	493,429
Profit for the period		**12,571**

Statement of changes in equity

	Note	Share Capital €	Accumulated Profits €	Total €
Issue of share capital	5	300,000	-	300,000
Profit for the period		-	12,571	12,571
Balance at 31 Decemder 2017		300,000	12,571	312,571

Notes to the financial statements

1 Summary of Significant accounting policies

The principal accounting policies applied in the preperation of these financial statements are set out below.

1.1 Basis of preperation

The financial statements have been prepared in accordance with the accounting policies noted hereunder and they have been prepared under the historical cost convention. These Financial statements have not been audited nor reviewed by the companies independent auditors.

The company was incorporated on 21 August 2017 in terms of the Maltese companies act (Cap 386). Accordingly, these financial statements have been prepared from the date of incorporation to 31 December 2017.

1.2 Financial Currency translation

(a) Functional and presentation currency

Items included in the financial statements are measure using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in euro, which is the company`s functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions and translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exhange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities in foreign currencies and recognised in profit or loss.

1.3 Financial assets

1.3.1 Classification

The company classifies it`s financial assets in the loans and receivables category. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative assets with fixed or deteminable payments that are not quoted in an active market. They arise when the company provides goods or services directly to a debtor with no intention of trading the asset. They are included in current assets, except for maturities greater than twlve months after year end of the reporting period. These are classified as non current assets. The company`s loans and receivables comprise trade and other receivables in the statement of financial position (note 1.4).

Notes to the financial statements

1 Summary of Significant accounting policies - continued

1.3 Financial assets - continued

1.3.2 Recognition and measurement

The company recognises a financial asset in its statement of financial position when it becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on settlement date, which is the date on which an assets is delivered to or by the company.

Financial assets are intially recognised at fair value plus transaction costs. These are subsequently carried at amortised cost using the effective interest method. Amortised cost is the initial measurement amount adjusted for the amortisation of any difference the initial and maturity amounts using the effective interest method.
Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all risk and rewards of ownership or has not retained control of the asset.

1.3.3 Impairment

The company assesses at the end of each reporting period where there is objective evidence that a financial asset or a company of financial assets is impaired. A financial asset or group of fnancial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occired after the initial recognition of the asset (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The company first assesses whether the objective evidence of impairment exists. The criteria that the company uses to determine that there is objective evidence of an impairment loss include:

- significant financial difficuilty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation.

Assets carried at amortised cost
For financial statements carried at amortised cost, the amount of the loss is measured as the difference between the asset`s carrying amount and the present value of estimated future cash flows (excluding future credit Issues that have not been incurred) discounted at the financial asset`s orriginal effective interest rate. The asset`s carrying amountis reduced and the amount of the loss is recognised in the profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occuring after the impaiment was recognised (such as an improvement in the debtor`s credit rating), the reversal of the previously recognised impairment loss is recognised in the profit or loss.

Notes to the financial statements

1 Summary of Significant accounting policies - continued

1.4 Trade and other receivables

Trade and other receivables comprise of amounts due from debtors and prepayments. If collection is excpected in one year or less (or in the mormal operating cycle of the business if longer), they are classified as current assets.
Trade and other receivables are recognised initially at cost and subsequently remeasured at amortised cost to take cognisance of impairment losses. A provision of impairment is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficuilties of the debtor, probability that the debtor will enter bankcruptcy or financial reorganisation,and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset`s carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the aset is reduced through the use of an allowance account and the amount of the loss is recognised in the pofit or loss. When a receivable Is uncollectible, it is written off against the allowance account of trade and other receivables. Subsequent recoveries of amounts previously written off are credit to profit or loss. Upon derecognition, any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement.

1.5 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

1.6 Financial liabilties

The company recognises a financial liability in its statement of financial position when it becomes a party to the contractual provisions of the instrument. The company`s financial liabilities are classified as financial liabilities which are not at fair value through profit or loss (classified as "Other liabilities") under ISA 39. Financial liabilities not at fair value through profit or loss are recognised initially at fair value, being the fair value of consideration received, net of transaction costs that are directly attributable to the acquisition or the issue of the financial liability. These liabilities are subsequently measured at amortised cost. The company derecognises a financial liability from its statement of financial position when the obligation specified in the contract or arrangement is discharged, is cancelled or expires.

1.7 Trade and other payables

Trade and other payables comprise amounts owed to creditors to pay for services that have been acquired in the ordinary course of the business. Trade and other payables are classified as current liabilities if payment due is within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non current liabilities.
Trade and other payables are recognised initially at fair value and subsquently measured at amortised cost using the effective interest method.

1.8 Dividend income

Dividend income from investments is recognised when the shareholders` right to receive payment has been established.

2 Investment in subsidiary

	2017
	€
Investment in Carmelo Stivala Group Ltd (C 62625)	**45,004,895**

3 Other receivables

	2017
	€
Accrued income	506,000
	506,000

4 Shareholders current balance

	2017
	€
	47,896

Amounts due by Shareholders` are unsecured, interest free and have no fixed date of repayment

5 Share capital

	2017
	€
Authorised	
500,000 ordinary shares of €1 each	**500,000**
Issued and fully paid	
300,000 ordinary shares of €1 each	**300,000**

Each ordinary share gives the right to one vote, participates equally in profits distributed by the company and carries euqal rights upon the distribution of assets by the company in the event of a winding up.

6 Other payables

	2017
	€
Accruals	454,770
	454,770

7 Debt Securities in issue

	2017
	€
At the beginning of the year	0
Bond Issue	44,550,000
Bond issue costs amortisation for the year	45,000
At the end of the year	**44,595,000**
Falling due after more than five years	**44,595,000**

As at year end, the company had a balance of €44,595,000 from the bond issue of €45 million 4% bonds of €100 nominal value each, redeemable at par in 2027. The amount is made up of the bond issue of €45 million net of the bond issue costs which are being amortised over the lifetime of the bonds. Interest on the bonds is due and payable annually in arrears on 18th October of each year at the above mentioned rate.

The bonds are listed on the official List of the Malta Stock Exchange.

8 Intercompany balances

	2017
	€
Amounts owed by subsidiaries	197,806
	197,806

Amounts owed by subsidiaries are unsecured, interest-free, and have no fixed date of repayment

9 Administrative expenses by nature

	Period from 21-Aug 2017 to 31-Dec 2017
	€
Director Salaries	4,770
Legal and Professional Fees	38,620
Amortisation	45,000
Finance Charges	405,039
	493,429

10 Events after the reporting period

There are no events to be reported after the reporting period

11 Statutory information

Stivala Group Finance P.L.C is a public limited company and was incorporated on 21 August 2017, with it`s registered address at 143, The Strand, Gzira, GZR 1026 Malta.

The Company`s immediate parent company is Carmelo Stivala Trustee Limited.
The parent company has it`s registered office at 143, The Strand, Gzira GZR1026, Malta.
The Ultimate controlling party is Bastille Malta Trustees Limited, as trustees.