

COMPANY REGISTRATION NUMBER: 00577223

ELESA (UK) LTD
FILLETED ABRIDGED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2017



ELESA (UK) LTD
ABRIDGED FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2017

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ELESA (UK) LTD

DIRECTORS' RESPONSIBILITIES STATEMENT

YEAR ENDED 31 DECEMBER 2017

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

Company law requires the directors to prepare abridged financial statements for each financial year. Under that law the directors have elected to prepare the abridged 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 abridged financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these abridged financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the abridged 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 abridged 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.

ELESA (UK) LTD
ABRIDGED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2017


	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	427,329	451,022
Current assets			
Stocks		567,472	519,215
Debtors		755,391	819,751
Cash at bank and in hand		850,318	433,416
		<u>2,173,181</u>	<u>1,772,382</u>
Creditors: amounts falling due within one year		<u>(1,445,044)</u>	<u>(1,085,878)</u>
Net current assets		<u>728,137</u>	<u>686,504</u>
Total assets less current liabilities		<u>1,155,466</u>	<u>1,137,526</u>
Provisions			
Taxation including deferred tax		(17,607)	(19,991)
Net assets		<u>1,137,859</u>	<u>1,117,535</u>
Capital and reserves			
Called up share capital		4,000	4,000
Share premium account		175,861	175,861
Revaluation reserve		282,141	276,688
Profit and loss account		675,857	660,986
Members funds		<u>1,137,859</u>	<u>1,117,535</u>

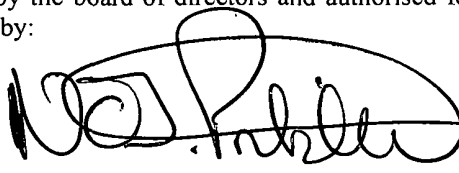
These abridged financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

All of the members of Elesa (UK) Ltd have consented to the preparation of the abridged statement of financial position for the year ending 31 December 2017 in accordance with Section 444(2A) of the Companies Act 2006.

These abridged financial statements were approved by the board of directors and authorised for issue on 16/05/18, and are signed on behalf of the board by:


Alberto Bertani
Director


Nigel Pritchett
Director

Company registration number: 00577223

The notes on pages 4 to 9 form part of these abridged financial statements.

ELESA (UK) LTD
STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2017

	Called up share capital £	Share premium account £	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2016	4,000	175,861	277,687	659,275	1,116,823
Profit for the year				200,712	200,712
Other comprehensive income for the year:					
Reclassification from revaluation reserve to profit and loss account	—	—	(999)	999	—
Total comprehensive income for the year	—	—	(999)	201,711	200,712
Dividends paid and payable	—	—	—	(200,000)	(200,000)
Total investments by and distributions to owners	—	—	—	(200,000)	(200,000)
At 31 December 2016	4,000	175,861	276,688	660,986	1,117,535
Profit for the year				170,324	170,324
Other comprehensive income for the year:					
Reclassification from revaluation reserve to profit and loss account	—	—	5,453	(5,453)	—
Total comprehensive income for the year	—	—	5,453	164,871	170,324
Dividends paid and payable	—	—	—	(150,000)	(150,000)
Total investments by and distributions to owners	—	—	—	(150,000)	(150,000)
At 31 December 2017	<u>4,000</u>	<u>175,861</u>	<u>282,141</u>	<u>675,857</u>	<u>1,137,859</u>

The notes on pages 4 to 9 form part of these abridged financial statements.

ELESA (UK) LTD

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 26 Moorlands Industrial Estate, Metherringham, Lincoln, Lincs, LN4 3HX.

2. Statement of compliance

These abridged financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The abridged financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The abridged financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual outcome may diverge from these estimates if other assumptions are made, or other conditions arise.

- **Significant judgements**

There have been no judgements that management has made in the process of applying the entity's accounting policies that have made a significant effect on the amounts recognised in the financial statements.

- **Key sources of estimation uncertainty**

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- **Stock provisions** - The company sells parts and equipment and its materials can become subject to obsolescence due to manufacturing specifications and other factors. As a result it is necessary to consider the recoverability of the cost of certain stock items and the associated provision required. When making these assessments management considers the nature and condition of the stocks as well as considering the possible future applications. The value of stock provided for within the financial statements is £163,607 (2016 - £163,512).

ELESA (UK) LTD

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2017

3. Accounting policies *(continued)*

Revenue recognition

The turnover shown in the profit and loss account represents work done during the year, exclusive of Value Added Tax, and is recognised on despatch.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all material timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

The company previously adopted a policy of revaluing freehold land and buildings and they were stated at their revalued amount less any subsequent depreciation and accumulated impairment losses. The company has adopted the transition exemption under FRS 102 paragraph 35.10(d) and has elected to use the previous revaluation as deemed cost.

The difference between depreciation based on the deemed cost charged in the profit and loss account and the asset's original cost is transferred from the revaluation to retained earnings. All fixed assets are initially recorded at cost. In addition the company previously capitalised software development costs. This policy has been amended to write off costs as they are incurred.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 25 years straight line
Plant and machinery	- 10 years straight line
Fixtures and fittings	- 4 to 10 years straight line

ELESA (UK) LTD

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2017

3. Accounting policies *(continued)*

Depreciation *(continued)*

Land is not depreciated

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items, on a first in first out basis. Cost is based on purchase price.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the abridged statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

The company only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the company and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

ELESA (UK) LTD

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2017

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Employee numbers

The average number of persons employed by the company during the year, including the directors, amounted to 21 (2016: 20).

5. Tangible assets

	£
Cost	
At 1 January 2017	861,439
Additions	15,583
At 31 December 2017	877,022
Depreciation	
At 1 January 2017	410,417
Charge for the year	39,276
At 31 December 2017	449,693
Carrying amount	
At 31 December 2017	427,329
At 31 December 2016	451,022

Tangible assets held at valuation

The company applied the transitional arrangements of Section 35 of FRS 102 and used a previous valuation as the deemed cost for certain Freehold properties.

The properties are being depreciated from the transition date. As the assets are depreciated or sold an appropriate transfer is made from the revaluation reserve to retained earnings.

ELESA (UK) LTD

NOTES TO THE ABRIDGED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2017

5. Tangible assets *(continued)*

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	£
At 31 December 2017	
Aggregate cost	363,678
Aggregate depreciation	<u>(297,248)</u>
Carrying value	<u><u>66,430</u></u>
 At 31 December 2016	
Aggregate cost	359,213
Aggregate depreciation	<u>(282,757)</u>
Carrying value	<u><u>76,456</u></u>

6. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2017	2016
	£	£
Not later than 1 year	9,565	19,163
Later than 1 year and not later than 5 years	<u>9,552</u>	<u>7,554</u>
	<u><u>19,117</u></u>	<u><u>26,717</u></u>

7. Summary audit opinion

The auditor's report for the year dated 30/05/2018 was unqualified.

The senior statutory auditor was Mark Bradshaw, for and on behalf of Streets Audit LLP.

8. Directors' advances, credits and guarantees

At the beginning of the year, N Pritchett, a director of the company, owed the company £nil. During the year he borrowed a net amount of £7,431 which remained outstanding at the year end. No interest was charged on this loan and the balance is repayable on demand.

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NOTES TO THE ABRIDGED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2017

9. Related party transactions

The results of the company are included in the consolidated financial statements of Elessa International S.R.L. (a company incorporated in Italy) which is considered to be the ultimate parent company. The company is owned 40% by Elessa International S.R.L., and 60% by Elessa Holdings (UK) Ltd, a company registered in England and Wales number 01291489, which in turn is owned 100% by Elessa International S.R.L. A further related entity, Elessa S.p.A. (a company incorporated in Italy), is the main manufacturing entity of the group.

The company has taken advantage of the exemption in FRS 102 for disclosure of transactions between group companies.

No transactions with related parties were undertaken such as are required to be disclosed under the FRS 102 (section 1A).

