Registration number: 03911521

Mosca Direct Limited

Annual Report and Financial Statements

(Companies House Version)

for the Year Ended 31 December 2016



Page Kirk LLP
Chartered Accountants and Statutory Auditors
Sherwood House
7 Gregory Boulevard
Nottingham
NG7 6LB

Mosca Direct Limited

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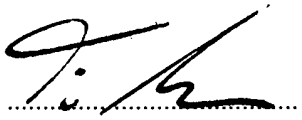
Mosca Direct Limited

(Registration number: 03911521)
Balance Sheet as at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	5	792,625	386,113
Current assets			
Stocks		535,437	364,766
Debtors		1,035,822	908,936
Cash at bank and in hand		535,372	754,290
		2,106,631	2,027,992
Creditors: Amounts falling due within one year		(893,729)	(721,917)
Net current assets		1,212,902	1,306,075
Total assets less current liabilities		2,005,527	1,692,188
Provisions for liabilities		(216,669)	(197,026)
Net assets		1,788,858	1,495,162
Capital and reserves			
Called up share capital		750,000	750,000
Profit and loss account		1,038,858	745,162
Total equity		1,788,858	1,495,162

These financial statements have been prepared and delivered to the registrar in accordance with the provisions applicable to companies subject to the small companies regime and the directors have not delivered to the registrar a copy of the company's profit and loss account.

Approved and authorised by the Board on 16 March 2017 and signed on its behalf by:



Mr T Mosca

Director

Company registration number: 03911521

Notes to the Financial Statements for the Year Ended 31 December 2016

1 General information

The company is a private company limited by share capital incorporated in United Kingdom.

The address of its registered office is:
Colliers Way
Colliers Business Park
Cotgrave
Nottinghamshire
NG12 3HA

These financial statements were authorised for issue by the Board on 16 March 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation of financial statements
These financial statements have been prepared using the historical cost convention in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 ('FRS102') Section 1A Small Entities, and with the Companies Act 2006, except that as disclosed in the accounting policies certain items are shown at fair value.

This is the first year in which the financial statements have been prepared under FRS102. The transition from preparing the financial statements in accordance with FRSSE (2015) to FRS102 (1A) has had no material impact on either the financial position or the financial performance as previously reported by the company.

Revenue recognition
Revenue is measured at the fair value of the consideration received or receivable. The company's sources of revenue are derived from the sale of strapping products and the provision of related maintenance services. Revenue from the sale of equipment is recognised upon despatch of goods. Revenue from maintenance services is recognised upon completion of the work.

Foreign currency transactions and balances
Transactions in foreign currency are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rate at the balance sheet date. All exchange differences are included in the profit and loss account.

Tax
The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets
Tangible assets is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation
Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% - 33% straight line
Motor vehicles	33% straight line
Short leasehold land and buildings	Remaining lease term
Machines for lease	7 years straight line

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors 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 the receivables.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Provisions
Provisions are recognised when the Company has an obligation at the reporting date as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases
Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends
Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation
A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Warranties
Various terms of warranty are offered by the company to customers purchasing strapping machines. A provision is made for the costs of repairs under these warranties based on an average repair cost over the life of the warranty.

Financial instruments

Derivative financial instruments and hedging

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising any resulting gain or loss depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item being hedged.

Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement.

Hedging

The entity hedges against unfavourable movements in exchange rates using forward contracts. The fair value of forward contracts is determined by reference to the agreed forward rate and the spot rate prevailing on the relevant measurement date.

Changes in the fair values of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair values of the hedged assets or liabilities that are attributable to the hedged risk.

3 Staff costs

The average number of persons employed by the company (including directors) during the year was 30 (2015 - 29).

4 Auditors' remuneration

	2016 £	2015 £
Audit of the financial statements	7,500	7,500

5 Tangible assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Properties under construction £	Machines for lease £	Total £
Cost or valuation						
At 1 January 2016	9,633	256,740	-	116,038	602,564	984,975
Additions	434,216	24,245	9,604	-	107,486	575,551
Disposals	-	-	-	-	(87,001)	(87,001)
Transfers	116,038	-	-	(116,038)	-	-
At 31 December 2016	559,887	280,985	9,604	-	623,049	1,473,525
Depreciation						
At 1 January 2016	7,278	223,665	-	-	367,919	598,862
Charge for the year	29,762	18,003	1,602	-	57,748	107,115
Eliminated on disposal	-	-	-	-	(25,077)	(25,077)
At 31 December 2016	37,040	241,668	1,602	-	400,590	680,900
Carrying amount						
At 31 December 2016	522,847	39,317	8,002	-	222,459	792,625
At 31 December 2015	2,355	33,075	-	116,038	234,645	386,113

6 Obligations under leases and hire purchase contracts

At 31 December 2016, the company had total commitments under non-cancellable operating leases over the remaining life of those leases of £653,920 (2015 - £249,339).

7 Legal charges

All monies due or to become due from the company to HSBC Bank PLC are secured by way of debenture dated 13 August 2012. The debenture includes a fixed and floating charge over the undertaking and all property and assets of the company.

8 Parent and ultimate parent undertaking

Mosca GmbH is the parent company of the only group of companies containing Mosca Direct Limited which prepares consolidated financial statements. Mosca GmbH's registered office address is Gerd-Mosca-Straße 1, Waldbrunn, 69429, Germany.

9 Abridged Accounts

All the members of the company have consented to the abridgement of the accounts.

10 Independent auditor's report

The company's annual accounts and reports have been delivered to the registrar in accordance with the provisions applicable to companies subject to the small companies regime. As a result the auditor's report that was included in the annual accounts and report delivered to members has not been delivered to the registrar.

The auditor's report dated 16 March 2017 that was included in the annual accounts and reports delivered to members was unqualified. The audit report was issued by Page Kirk LLP and was signed by John Wallis.