

Registration number: 02188798

Kasto Limited

Annual Report and Financial Statements
for the Year Ended 31 December 2017

Rödl & Partner Limited
170 Edmund Street
Birmingham
B3 2HB



Kasto Limited

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Kasto Limited

Company Information

Directors	Mr A Stolzer Mr E Wagner
Registered office	5 Garamonde Drive Wymbush Milton Keynes Buckinghamshire MK8 8DF
Auditors	Rödl & Partner Limited 170 Edmund Street Birmingham B3 2HB

Kasto Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 and FRS 102 Section 1A, "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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.

Kasto Limited

(Registration number: 02188798)
Balance Sheet as at 31 December 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	19,691	51,351
Investments	5	-	2
		<u>19,691</u>	<u>51,353</u>
Current assets			
Stocks	6	429,256	467,457
Debtors	7	544,007	731,246
Cash at bank and in hand		<u>569,805</u>	<u>271,993</u>
		1,543,068	1,470,696
Creditors: Amounts falling due within one year	8	<u>(759,800)</u>	<u>(685,337)</u>
Net current assets		<u>783,268</u>	<u>785,359</u>
Net assets		<u>802,959</u>	<u>836,712</u>
Capital and reserves			
Called up share capital		400,006	400,006
Profit and loss account		<u>402,953</u>	<u>436,706</u>
Total equity		<u>802,959</u>	<u>836,712</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 17/1/18 and signed on its behalf by:

Mr A Stotzer

Director

Mr E Wagner

Director

Kasto Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

5 Garamonde Drive
Wymbush
Milton Keynes
Buckinghamshire
MK8 8DF
England

Principal activity

The principal activity of the company is manufacture of lifting equipment, handling equipment and metal forming machinery.

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.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The presentation currency of these financial statements is sterling. All amounts have been rounded to nearest £1.

Summary of disclosure exemptions

The company is controlled by KEURO Besitz GmbH & Co, a company incorporated in Germany. The Company is considered to be a qualifying entity (for the purposes of this FRS) and has taken advantage of the exemption available under FRS 102 Section 1A in respect of the following disclosures:

Related Party Disclosures with other members of that group.

Prior Year Restatement

A restatement of balances has been made to the 2016 comparatives to reflect the amounts owed by and to group undertakings. The effect of this adjustment has no impact on the overall profitability of the business. The effect of the prior period restatement are as follows:

Trade debtors have decreased from £668,145 to £632,285.

Amounts owed by group undertakings have increased from £nil to £35,860.

Trade creditors have decreased from £547,185 to £31,706.

Amounts owed to group undertakings have increased from £nil to £515,479.

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Notes to the Financial Statements for the Year Ended 31 December 2017

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies 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 rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Tax

The tax expense for the period comprises 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 tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are 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
Short leasehold	over term of lease
Plant and machinery	25% on cost
Fixtures, fittings & equipment	25% on cost and 10% on cost

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Notes to the Financial Statements for the Year Ended 31 December 2017

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

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.

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Notes to the Financial Statements for the Year Ended 31 December 2017

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.

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.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 14 (2016: 14).

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Notes to the Financial Statements for the Year Ended 31 December 2017

4 Tangible assets

	Short leasehold £	Fixtures, fitting and equipment £	Plant and machinery £	Total £
Cost or valuation				
At 1 January 2017	79,748	68,433	73,628	221,809
Disposals	(71,227)	(9,000)	-	(80,227)
At 31 December 2017	8,521	59,433	73,628	141,582
Depreciation				
At 1 January 2017	56,423	40,407	73,628	170,458
Charge for the year	1,950	6,337	-	8,287
Eliminated on disposal	(53,154)	(3,700)	-	(56,854)
At 31 December 2017	5,219	43,044	73,628	121,891
Carrying amount				
At 31 December 2017	3,302	16,389	-	19,691
At 31 December 2016	23,325	28,026	-	51,351

5 Investments

	2017 £	2016 £
Investments in subsidiaries	-	2
Subsidiaries		£
Cost or valuation		
At 1 January 2017		2
Disposals		(2)
At 31 December 2017		-
Provision		
At 31 December 2017		-
Carrying amount		
At 31 December 2017		-
At 31 December 2016		2

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Notes to the Financial Statements for the Year Ended 31 December 2017

6 Stocks

	2017 £	2016 £
Raw materials and consumables	94,324	90,027
Finished goods	334,932	377,430
	<u>429,256</u>	<u>467,457</u>

7 Debtors

		(As restated)
	2017 £	2016 £
Trade debtors	508,366	632,285
Amounts owed by group undertakings	16,628	35,860
Prepayments	17,280	36,239
Other debtors	1,733	26,862
	<u>544,007</u>	<u>731,246</u>

8 Creditors

		(As restated)
	2017 £	2016 £
Trade creditors	42,657	31,706
Amounts owed to group undertakings	569,598	515,479
Taxation and social security	118,335	113,379
Accruals and deferred income	8,000	4,263
Other creditors	21,210	20,510
	<u>759,800</u>	<u>685,337</u>

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Notes to the Financial Statements for the Year Ended 31 December 2017

9 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary shares of £1 each	6	6	6	6
Preference shares of £1 each	400,000	400,000	400,000	400,000
	<u>400,006</u>	<u>400,006</u>	<u>400,006</u>	<u>400,006</u>

10 Control

The immediate and ultimate controlling parent company of Kasto Limited is KEURO Besitz GmbH & Co. EDV-Dienstleistungs KG, a partnership incorporated in Germany.

11 Auditor's information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006.

The auditor's report was unqualified.

The Senior Statutory Auditor was Imran Farooq.

The auditor was Rödl & Partner Limited.