

EDAC ROMA NORD OVEST SRL

Financial statements as at 31-12-2016

Company details	
Registered Office in	ROME
Tax Code	13955131001
REA (Index of Economic and Administrative Information) number	ROMA 1485752
VAT No.	13955131001
Share Capital Euros	50,000 fully paid
Legal structure	LIMITED LIABILITY COMPANY
Main business sector (ATECO)	439909
Company in liquidation	no
Single-member company	no
Company subject to the direction and coordination of others	no
Member of a group	no

All amounts are expressed in euros

Balance sheet

31-12-2016

Balance sheet	
Assets	
A) Subscribed capital, unpaid	0
B) Fixed assets	
I - Intangible fixed assets	79,236
II - Tangible fixed assets	17,743
III - Financial fixed assets	0
Total fixed assets (B)	96,979
C) Current assets	
I - Inventories	0
II - Receivables	
due within the next financial year	17,458
Total receivables	17,458
III - Financial assets not listed under fixed assets	0
IV - Cash and cash equivalents	3,562
Total current assets (C)	21,020
D) Accruals and deferrals	781
Total assets	118,780
Liabilities	
A) Shareholders' equity	
I - Share capital	50,000
II - Share premium reserve	0
III - Revaluation reserves	0
IV - Legal reserve	0
V - Statutory reserves	0
VI - Other reserves	1
VII - Reserve for hedging transactions of expected cash flows	0
VIII - Profit (loss) carried forward	0
IX - Profit (loss) for the year	(11,445)
Loss offset in the year	0
X - Negative reserve for treasury shares in portfolio	0
Total shareholders' equity	38,556
B) Provisions for risks and charges	0
C) Employee severance indemnities	0
D) Payables	
due within the next financial year	48,824
due beyond the next financial year	30,000
Total payables	78,824
E) Accruals and deferrals	1,400
Total liabilities	118,780

Income statement

31-12-2016

Income statement	
A) Value of production	
Total value of production	0
B) Cost of production	
6) for raw and ancillary materials, consumable goods and merchandise	1,270
7) for services	5,080
8) for use of leased assets	2,560
10) amortisation/depreciation and write-downs	
a), b), c) amortisation/depreciation of tangible and intangible fixed assets, other write-downs of fixed assets	1,383
b) depreciation of tangible fixed assets	1,383
Total amortisation/depreciation and write-downs	1,383
14) other operating expenses	1,057
Total production costs	11,350
Difference between production value and costs (A - B)	(11,350)
C) Financial income and charges	
16) other financial income	
d) income other than the above	
others	2
Total income other than the above	2
Total other financial income	2
17) interest and other financial charges	
others	97
Total interest and other financial charges	97
Total financial income and charges (15 + 16 - 17 + - 17-bis)	(95)
D) Adjustments to the value of financial assets and liabilities	
Total value adjustments to financial assets and liabilities (18 - 19)	0
Profit/loss before taxes (A - B + - C + - D)	(11,445)
21) Profit (loss) for the year	(11,445)

Explanatory notes to the Financial Statements as at 31-12-2016

Explanatory notes, first part

Notes to the financial statements for the year ended 31/12/2016 prepared in abridged form as per art. 2435 bis of Italian Civil Code

INTRODUCTION

The financial statements as at 31/12/2016 of which these explanatory notes form an integral part pursuant to art. 2423, first paragraph of the Italian Civil Code correspond to the results of the accounting records that were properly kept and prepared in accordance with articles 2423, 2423 ter, 2424, 2424 bis, 2425, 2425 bis of the Italian Civil Code, according to drafting principles consistent with art. 2423 bis, the measurement criteria envisaged by art. 2426 of the Italian Civil Code.

The financial statements for this year have been prepared in abridged form in compliance with the provisions of art. 2435-bis of the Italian Civil Code, since the conditions set out in paragraph 1 of the aforementioned article are met. Consequently, these explanatory notes include the information required by paragraph 1 of art. 2427 is provided only for the items specified in paragraph 5 of art. 2435 bis of the Italian Civil Code.

Furthermore, these Explanatory Notes include the information required by numbers 3) and 4) of Art. 2428 of the Italian Civil Code and therefore the Management Report has not been prepared as per art. 2435-bis, paragraph 6 of the Italian Civil Code. The measurement criteria referred to in art. 2426 of the Italian Civil Code comply with the law and no exceptional events have occurred that have made it necessary to resort to exemptions pursuant to art. 2423 bis, second paragraph and 2423, fifth paragraph of the Italian Civil Code.

Where applicable, the principles and recommendations published by the Italian Accounting Body (OIC) were followed, supplemented where lacking by IAS/IFRS principles issued by IASB in order to provide a truthful and correct representation of the equity and financial position.

There are no assets or liabilities that fall under multiple items of the financial statements.

In accordance with the provisions of art. 2364, paragraph 2 of the Italian Civil Code and in compliance with the provisions of the By-laws, the longer period for the approval of the Financial Statements has been used.

The reasons for this extension are the fact that it is the first financial year and the lack of company operations.

DRAFTING CRITERIA

In accordance with the provisions of article 2423 bis of the Italian Civil Code, the financial statements have been prepared in such a way as to:

- Value individual items on a prudent basis and on a going-concern basis.
- Only include the profits actually earned during the financial year.
- Determine the income and costs in accordance with the pertinent time period and independently of their financial transaction.
- Include all risks and losses incurred on an accrual basis, even if they become known after the end of the financial year.
- Consider separately the heterogeneous elements included in the various items of the financial statements for the purposes of their assessment.
- Maintain the same measurement criteria as the previous year.

MEASUREMENT CRITERIA

The criteria applied in the valuation of the items in the financial statements set out below are in compliance with the provisions of art. 2426 of the Italian Civil Code.

Intangible fixed assets

Intangible fixed assets are recorded – within the limits of their recoverable value – at the cost of purchase or internal production, including all directly attributable accessory charges, and are systematically amortised on a straight-line basis in relation to the asset's residual possibility of use.

Specifically, start-up and expansion costs derive from the capitalisation of the charges relating to the start-up or expansion of operating capacity and have not been amortised.

Trademarks have not been amortised.

Tangible fixed assets

Tangible fixed assets are recognised at the date of the transfer of risks and rewards of the assets acquired and, within the limits of their recoverable value, are recorded at purchase or production cost less accumulated depreciation, which in this year have been carried out in a reduced manner, including all directly attributable costs and incidental charges, of indirect costs related to internal production, as well as charges relating to the financing of internal production incurred during the period of manufacture and up to the moment in which the asset may be used.

For tangible fixed assets consisting of a set of assets coordinated with each other, in accordance with the provisions of paragraphs 45 and 46 of OIC 16 the values of individual assets were determined to identify the different duration of their useful life.

The cost of fixed assets whose use is limited in time will be depreciated each year on the basis of economic-technical rates determined in relation to the residual possibility of use.

All assets – including those temporarily not used – have been depreciated to a lesser extent. Depreciation begins when the assets are available and ready for use.

Rates were applied that reflect the result of technical depreciation schedules, confirmed by the company and reduced by 50% for acquisitions during the year, as these items fall under the provisions of OIC 16, para. 61. For assets not yet entered into service, depreciation was deferred to subsequent years.

During the year, the depreciation criteria and/or coefficients applied were modified pursuant to art. 2426, paragraph 1, number 2 of the Italian Civil Code for the reasons indicated above.

Receivables

Receivables are classified under current assets on the basis of their intended use/origin with respect to ordinary activities and are recorded at their estimated realisable value.

The subdivision of the amounts due within and beyond the financial year is carried out with reference to the contractual or legal expiry, also taking into account facts and events that may lead to a change in the original maturity, the realistic ability of the debtor to fulfil the obligation within the contractual terms and the time horizon in which the receivable can be reasonably expected to be collected.

Pursuant to OIC 15, para. 84 it should be noted that the amortised cost method was not adopted for the valuation of receivables.

Receivables are included in the balance sheet net of the general risk relating to the remaining receivables, based on estimates made on the basis of experience, the ageing of overdue receivables, the general economic situation, sector and country risk, as well as events occurring after the end of the financial year that have repercussions on the values at the balance sheet date.

Cash and cash equivalents

Cash and cash equivalents are stated at nominal value.

Accruals and deferrals

Accruals and deferrals are recorded on an accruals basis and contain the revenues/costs pertaining to the year and due in subsequent years and the revenues/costs incurred by the end of the year but pertaining to subsequent years.

Therefore, only the portions of costs and revenues common to two or more financial years are recorded, the extent of which varies according to time.

For prepaid expenses, a valuation takes place of the future economic benefits linked to the deferred costs, with an adjustment being applied should it be the case that said benefit is lower than the prepaid amount.

Payables

The subdivision of the amounts due within and beyond the financial year is carried out with reference to the contractual or legal expiry, also taking into account facts and events that may lead to a change in the original maturity.

Payables are entered under liabilities on the basis of their nominal value, which is considered representative of their payout value.

Pursuant to OIC 19, para. 86 it should be noted that the amortised cost method was not adopted in the valuation of payables.

Payables arising from the acquisition of assets are recognised when the risks, charges and benefits are transferred. Those relating to services are recognised when the service is rendered. Financial and other payables are recognised when the obligation to the counterparty arises.

Tax payables include liabilities for certain determined taxes, as well as withholding taxes chosen as a substitute and not yet paid at the date of the financial statements, and, where offsetting is permitted, are recorded net of advances, withholding taxes and tax receivables.

Costs and revenues

These are shown in accordance with the principle of prudence and on an accruals basis.

Condensed explanatory notes - Assets

INFORMATION ON THE BALANCE SHEET

ASSETS

Fixed Assets

FIXED ASSETS

Tangible assets amounted to €96,979.

Changes in fixed assets

The composition and movements of the individual items are represented as follows:

	Intangible fixed assets	Tangible fixed assets	Financial assets	Total fixed assets
Changes during the year				
Depreciation/amortisation for the year	0	1,383		1,383
Other changes	79,236	19,126	0	98,362
Total changes	79,236	17,743	0	96,979
Value at year end				
Cost	79,236	19,126	0	98,362
Depreciation/amortisation (Accumulated depreciation/amortisation)	0	1,383		1,383
Balance sheet value	79,236	17,743	0	96,979

Current assets

CURRENT ASSETS

Receivables recorded in current assets

Variations and expiry of receivables recorded in current assets

Receivables - Breakdown by maturity

Below are reported the data related to the subdivision of receivables by expiry, pursuant to art. 2427, paragraph 1, number 6 of the Italian Civil Code:

	Changes during the year	Value at year end	Portion due within the financial year	Portion due beyond the financial year	With residual duration exceeding five years
Trade receivables recorded in current assets	1,400	1,400	1,400	0	0
Tax receivables recorded in current assets	13,254	13,254	13,254	0	0
Receivables from others recorded in current assets	2,804	2,804	2,804	0	0
Total receivables recorded in current assets	17,458	17,458	17,458	0	0

Condensed explanatory notes - Liabilities and shareholders' equity

INFORMATION ON THE BALANCE SHEET - LIABILITIES AND SHAREHOLDERS' EQUITY

Shareholders' equity

SHAREHOLDERS' EQUITY

The shareholders' equity at the end of the year amounted to € 38,556 (€ 0 in the previous year).

Changes in shareholders' equity items

The following tables show the movements during the year of the individual items that make up the Shareholders' Equity and the detail of the item "Other reserves":

	Allocation of the previous year's result		Other changes			Operating result	Value at year end
	Allocation of dividends	Other uses	Increases	Decreases	Reclassifications		
Capital	0	0	0	0	50,000		50,000
Share premium reserve	-	-	-	-	-		0
Revaluation reserves	-	-	-	-	-		0
Legal reserve	-	-	-	-	-		0
Statutory reserves	-	-	-	-	-		0
Other reserves							
Miscellaneous other reserves	0	0	0	0	1		1
Total other reserves	0	0	0	0	1		1
Reserve for hedging transactions of expected financial flows	-	-	-	-	-		0
Profit (loss) carried forward	-	-	-	-	-		0
Profit (loss) for the year	0	0	0	0	0	(11,445)	(11,445)
Loss offset in the year	-	-	-	-	-		0
Negative reserve for treasury shares in portfolio	-	-	-	-	-		0
Total shareholders' equity	0	0	0	0	50,001	(11,445)	38,556

Availability and use of shareholders' equity

Availability and use of shareholders' equity items

The information required by article 2427, paragraph 1, number 7-bis of the Italian Civil Code regarding the specification of the items of shareholders' equity with reference to their origin, possibility of use and distribution can be inferred from the underlying tables:

	Amount	Origin / nature	Possibility of use	Portion available	Summary of the amounts used in the past three years	
					to cover losses	for other reasons
Capital	50,000			0	0	0
Share premium reserve	0			-	-	-
Revaluation reserves	0			-	-	-
Legal reserve	0			-	-	-
Statutory reserves	0			-	-	-
Other reserves						
Miscellaneous other reserves	1			0	0	0
Total other reserves	1			0	0	0
Reserve for hedging transactions of expected financial flows	0			-	-	-
Negative reserve for treasury shares in portfolio	0			-	-	-
Total	50,001			0	0	0

Legend: A: capital increase B: loss coverage C: shareholder distribution D: for other by-law constraints E: other

Origin, possibility of use and distribution of the various other reserves

Description	Amount	Origin / nature	Possibility of use	Portion available	Summary of use made in the previous three years - to cover losses	Summary of use in the previous three years - for other reasons
	1			0	0	0
Total	1					

Legend: A: capital increase B: loss coverage C: shareholder distribution D: for other by-law constraints E: other

Payables

PAYABLES

Changes in and maturity of payables

Payables - Breakdown by maturity

Below are reported the data related to the subdivision of payables by expiry, pursuant to art. 2427, paragraph 1, number 6 of the Italian Civil Code:

	Changes during the year	Value at year end	Portion due within the financial year	Portion due beyond the financial year	With residual duration exceeding five years
Payables to shareholders for loans	30,000	30,000	0	30,000	0
Payables to suppliers	43,755	43,755	43,755	0	0
Taxes payable	69	69	69	0	0
Other payables	5,000	5,000	5,000	0	0
Total payables	78,824	78,824	48,824	30,000	0

Condensed explanatory notes - Income statement

INFORMATION ON THE INCOME STATEMENT

Income taxes for the year, current, deferred and prepaid

INCOME TAXES FOR THE YEAR, CURRENT, DEFERRED AND PREPAID

Taxes on the first financial year do not exist.

Condensed explanatory notes - Other information

OTHER INFORMATION

Information on significant events occurring after year-end

Significant events occurring after year-end

No significant events occurred after the end of the financial year, pursuant to art. 2427, paragraph 1, number 22-quater of the Italian Civil Code.

Proposed allocation of profits or coverage of losses

Allocation of the year's result

In accordance with art. 2427, paragraph 1, number 22-septies of the Italian Civil Code, it is proposed to allocate the result for the year as follows:

loss carried forward

Explanatory notes - Final part

The governing body

Gaetano Trotta

Declaration of conformity of financial statements

Declaration of Conformity

Copy corresponding to documents filed in the company's records