

Absolute Solar Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 July 2017

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Absolute Solar Limited

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Absolute Solar Limited

Company Information

Directors	B. Martin O. A. Martin H. M. Martin
Registered office	Units 20-21 Wanstead Road Leicester LE3 1TR
Accountants	Robert Whowell & Partners Chartered Accountants Westwood House 78 Loughborough Road Quorn Loughborough Leicestershire LE12 8DX

Absolute Solar Limited

(Registration number: 07038542)

Balance Sheet as at 31 July 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>4</u>	147,530	69,620
Current assets			
Stocks	<u>5</u>	7,000	7,000
Debtors	<u>6</u>	265,634	156,314
Cash at bank and in hand		21,038	1,231
		<u>293,672</u>	<u>164,545</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(262,056)</u>	<u>(180,765)</u>
Net current assets/(liabilities)		<u>31,616</u>	<u>(16,220)</u>
Total assets less current liabilities		179,146	53,400
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(75,862)</u>	<u>(25,632)</u>
Net assets		<u>103,284</u>	<u>27,768</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>103,184</u>	<u>27,668</u>
Total equity		<u>103,284</u>	<u>27,768</u>

The notes on pages 4 to 10 form an integral part of these financial statements.

Absolute Solar Limited

(Registration number: 07038542)

Balance Sheet as at 31 July 2017

For the financial year ending 31 July 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 1 December 2017 and signed on its behalf by:

.....

B. Martin

Director

The notes on pages 4 to 10 form an integral part of these financial statements.

Absolute Solar Limited

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

1 General information

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

The address of its registered office is:

Units 20-21 Wanstead Road

Leicester

LE3 1TR

These financial statements were authorised for issue by the Board on 1 December 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.

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.

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 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.

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.

Absolute Solar Limited

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

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	25% reducing balance
Motor vehicles	25% reducing balance
Plant and machinery	25% reducing balance

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 debtors.

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 stocks 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.

Absolute Solar Limited

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

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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.

Absolute Solar Limited

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

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 14 (2016 - 12).

4 Tangible assets

	Fixtures, fittings and equipment £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation				
At 1 August 2016	14,096	74,505	20,979	109,580
Additions	5,708	101,481	19,900	127,089
At 31 July 2017	19,804	175,986	40,879	236,669
Depreciation				
At 1 August 2016	9,696	22,395	7,869	39,960
Charge for the year	2,528	38,391	8,260	49,179
At 31 July 2017	12,224	60,786	16,129	89,139
Carrying amount				
At 31 July 2017	7,580	115,200	24,750	147,530
At 31 July 2016	4,400	52,110	13,110	69,620

Absolute Solar Limited

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

5 Stocks

	2017	2016
	£	£
Raw materials and consumables	7,000	7,000

6 Debtors

	2017	2016
	£	£
Trade debtors	229,187	133,553
Prepayments	16,457	14,219
Other debtors	19,990	8,542
	265,634	156,314

7 Creditors

Creditors: amounts falling due within one year

	Note	2017	2016
		£	£
Due within one year			
Bank loans and overdrafts	<u>9</u>	36,455	32,118
Trade creditors		162,988	138,919
Taxation and social security		6,909	-
Accruals and deferred income		55,204	9,228
Other creditors		500	500
		262,056	180,765

Creditors include net obligations under finance lease and hire purchase contracts which are secured of £36,159 (2016 - £21,628).

Absolute Solar Limited

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

Creditors: amounts falling due after more than one year

	Note	2017 £	2016 £
Due after one year			
Loans and borrowings	9	75,862	25,632

Creditors include net obligations under finance lease and hire purchase contracts which are secured of £75,862 (2016 - £25,632).

8 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary A shares of £1 each	75	75	75	75
Ordinary B shares of £1 each	25	25	25	25
	100	100	100	100

9 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Finance lease liabilities	75,862	25,632
Current loans and borrowings		
Finance lease liabilities	36,159	21,628
Other borrowings	296	10,490
	36,455	32,118

Absolute Solar Limited

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

10 Related party transactions

Other transactions with directors

During the year a director received dividends amounting to £26,500.

Summary of transactions with other related parties

Absolute Insulation Limited, the former parent company, appointed liquidators on 15 September 2014. In consideration for Absolute Insulation Limited assigning its shares to B. Martin, a director of Absolute Solar Limited, and in full and final settlement of the inter company debt of £236,088 Absolute Solar Limited has agreed to provide a guarantee to RWE npower plc for the work carried out by Absolute Insulation Limited on such terms as RWE npower plc may require for a period of 25 years.

11 Transition to FRS 102

The company transitioned to FRS102 on 1 August 2015. No transitional adjustments were required to the reconciliation of equity or profit and loss.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.