

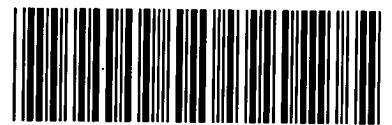
**CARBONLIGHTS SOLUTIONS LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**30<sup>th</sup> SEPTEMBER 2017**

**Registered number: 6615381**

MONDAY



\*A6Y4UXVC\*

A09

22/01/2018

#120

COMPANIES HOUSE

**CARBONLIGHTS SOLUTIONS LIMITED**

**FINANCIAL STATEMENTS**

**30<sup>th</sup> SEPTEMBER 2017**

**CONTENTS**

|                                   | Page    |
|-----------------------------------|---------|
| Company information               | 1       |
| Directors' report                 | 2       |
| Statement of Comprehensive Income | 3       |
| Statement of Financial Position   | 4       |
| Notes                             | 5 to 11 |

**CARBONLIGHTS SOLUTIONS LIMITED**

**UNAUDITED FINANCIAL STATEMENTS**

**30<sup>th</sup> SEPTEMBER 2017**

**INCORPORATED** in England on 10<sup>th</sup> June 2008

**NUMBER** 6615381

**DIRECTORS** A. J. Sterry (resigned 25 May 2017)  
B. J. Clatworthy  
H. F. Ferrier  
R.S.C.Gill  
M. Blenkinsop

**SECRETARY** B J Clatworthy

**REGISTERED OFFICE** 60 Newland Street, Coleford, Gloucestershire GL16 8AL

**BANKERS** HSBC Bank plc  
127-128 High Street  
Merthyr Tydfil CF47 8DN

# **CARBONLIGHTS SOLUTIONS LIMITED**

## **FINANCIAL STATEMENTS**

**30<sup>th</sup> SEPTEMBER 2017**

The directors present their report and the financial statements for the year ended 30th September 2017.

### **Principal activity**

The principal activity of the company is the design, development and manufacture of industrial LED lighting systems.

### **Directors**

The directors of the company and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

|   | 30 September 2017                     |   |   | 30 September 2016                        |  |   |
|---|---------------------------------------|---|---|--|--|---|
|   | Ordinary<br>shares of<br>£0.0001 each | A ordinary<br>shares of<br>£0.0001 each | B ordinary<br>shares of<br>£0.0001 each | Ordinary<br>shares of<br>£0.0001<br>each | A ordinary<br>shares of<br>£0.0001<br>each | B ordinary<br>shares of<br>£0.0001 each |
| A J Sterry<br>(resigned 25 May<br>2017) | -                                     | -                                       | -                                       | 650,000                                  | 687,751                                    | 12,855                                  |
| B J Clatworthy                          | 650,000                               | 687,751                                 | 19,282                                  | 650,000                                  | 687,751                                    | 19,282                                  |
| H F Ferrier                             | 240,000                               | 212,111                                 | 19,282                                  | 240,000                                  | 212,111                                    | 19,282                                  |
| M Blenkinsop                            | nil                                   | 425,000                                 | nil                                     | nil                                      | 425,000                                    | nil                                     |
| R S C Gill                              | nil                                   | nil                                     | 9,651                                   | nil                                      | nil  | 9,651                                   |

### **Share Capital**

Details of shares transactions during the year are set out in note 11.

### **Charitable and political donations**

During the period no charitable or political donations were made.

### **Small company exemption**

In preparing this report, the directors have taken advantage of the small companies regime within Part 15 of the Companies Act 2006.

This report was approved by the board on 12 December 2017 and signed on its behalf by Barrie Clatworthy

On behalf of the board



B J Clatworthy FCA

Director

60 Newland Street  
Coleford, Gloucestershire GL16 8AL

**CARBONLIGHTS SOLUTIONS LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME**

**For the year ended  
30th September 2017**

|   | <b>Note</b> | <b>2017</b>            | <b>2016</b>            |
|---|-------------|------------------------|------------------------|
| <b>Continuing Operations:</b>                         |             | <b>£</b>               | <b>£</b>               |
| <b>Turnover</b>                                       |             | 296,065                | 258,203                |
| <b>Direct cost of sales</b>                           |             | <u>220,726</u>         | <u>180,458</u>         |
| <b>Gross operating profit</b>                         |             | 75,339                 | 77,745                 |
| <b>Net operating expenses</b>                         |             |                        |                        |
| Administrative expenses                               |             | 76,193                 | 184,545                |
| Other operating income                                |             | <u>0</u>               | <u>0</u>               |
| <b>Earnings before interest, tax and depreciation</b> | <b>2</b>    | -854                   | -106,800               |
| <b>Depreciation and Amortisation</b>                  | <b>5</b>    | 118,643                | 122,030                |
| <b>Finance costs</b>                                  | <b>6</b>    | 17,861                 | 16,262                 |
| <b>Taxation</b>                                       | <b>4</b>    | <u>0</u>               | <u>0</u>               |
| <b>Loss after interest, tax and depreciation</b>      |             | -137,358               | -245,092               |
| Dividends paid on ordinary shares                     |             | 0                      | 0                      |
| <b>Retained profit/(loss) for the year</b>            |             | <u><u>-137,358</u></u> | <u><u>-245,092</u></u> |

The profit and loss account has been prepared on the basis that all operations are continuing operations

**CARBONLIGHTS SOLUTIONS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**

**30<sup>th</sup> September 2017**

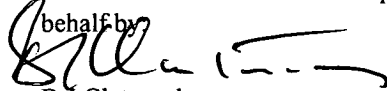
|   |      | 2017                 | 2016                  |
|---|------|----------------------|-----------------------|
|   | Note | £                    | £                     |
| <b>Fixed assets</b>                               | 7    |                      |                       |
| Tangible assets                                   |      | 10,333               | 10,576                |
| Intangible assets                                 |      | 236,800              | 355,200               |
|   |      | <u>247,133</u>       | <u>365,776</u>        |
| <b>Current assets</b>                             |      |                      |                       |
| Receivables                                       | 8    | 40,979               | 12,999                |
| Cash deposits                                     |      | 1                    | 0                     |
| Component stock, trial units and work in progress |      | 46,703               | 60,041                |
|   |      | <u>87,683</u>        | <u>73,040</u>         |
| <b>Total Assets</b>                               |      | <u>334,816</u>       | <u>438,816</u>        |
| <b>Liabilities</b>                                |      |                      |                       |
| Current   | 9    | -126,706             | -90,922               |
| Non current                                       | 10   | -130,000             | -130,000              |
|   |      | <u>-256,706</u>      | <u>-220,922</u>       |
| <b>NET ASSETS/(LIABILITIES)</b>                   |      | <u><u>78,110</u></u> | <u><u>217,894</u></u> |
| <b>Capital and reserves</b>                       |      |                      |                       |
| Called up share capital                           | 11   | 698                  | 698                   |
| Reserves  |      | 77,412               | 217,196               |
| <b>SHAREHOLDERS' FUNDS</b>                        |      | <u><u>78,110</u></u> | <u><u>217,894</u></u> |

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and its members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with sections 386 and 387 of the Act and preparing financial statements which give a true and fair view of the state of affairs of the company as at 30th September 2017 and of its profit or loss for the period then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the board and authorised for issue on 12 December 2017 and are signed on its behalf by

  
B J Clatworthy  
Director

Company registered number – 6615381  
Reg. Office – 60 Newland Street, Coleford GL16 8AL

**CARBONLIGHTS SOLUTIONS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
for the year ended  
**30<sup>th</sup> September 2017**

|   | Share Capital | Share premium account | Revaluation Reserve | Profit and Loss account | Total    |
|---|---------------|-----------------------|---------------------|-------------------------|----------|
| <b>Reserves</b>   |               |                       |                     |                         |          |
| At 1st October 2016   | 698           | 349,742               | 355,200             | -487,746                | 217,894  |
| Prior period adjustment   |               |                       |                     | -2,426                  | -2,426   |
| Total comprehensive income for the year                               |               |                       |                     | -137,358                | -137,358 |
| Intellectual property amortization transferred to Revaluation Reserve |               |                       | 0                   | -118,400                | 118,400  |
|   |               |                       |                     |                         | 0        |
| Balance at 30th September 2017  | 698           | 349,742               | 236,800             | -509,130                | 78,110   |

**STATEMENT OF CASH FLOWS**  
for the year ended  
**30<sup>th</sup> September 2017**

|  | Note | 2017<br>£ | 2016<br>£ |
|--|------|-----------|-----------|
| Loss for the year  |      | -119,497  | -228,831  |
| <b>Adjustments for:</b>                                    |      |           |           |
| Depreciation and amortization of fixed assets              |      | 118,643   | 122,030   |
| <b>Movement of working capital:</b>                        |      |           |           |
| Decrease/(increase) in stocks                              |      | 13,338    | 20,982    |
| Decrease/ (increase) in debtors                            |      | -27,980   | 40,007    |
| Increase/(decrease) in creditors                           |      | 36,542    | -26,659   |
| <b>Cash generated from operations</b>                      |      | 21,046    | -72,471   |
| Interest paid  | 6    | -17,861   | -16,262   |
| <b>Net cash inflow (outflow) from operating activities</b> |      | 3,185     | -88,733   |
| <b>Investing activities</b>                                |      |           |           |
| Purchase of tangible fixed assets                          |      |           | -4,143    |
| <b>Financing activities</b>                                |      |           |           |
| Proceeds from issue of shares                              |      |           | 50,000    |
| <b>Net decrease in cash</b>                                |      | 3,185     | -42,876   |
| <b>Cash at beginning of the year</b>                       |      | -8,052    | 34,824    |
| <b>Cash at the end of the year</b>                         |      | -4,867    | -8,052    |

**Cash and cash equivalents:**

The amounts disclosed on the statement of cash flows in respect of cash and equivalents are in respect of these amounts:

|        |        |
|--------|--------|
| -4,867 | -8,052 |
|--------|--------|

# **CARBONLIGHTS SOLUTIONS LIMITED**

## **NOTES ON FINANCIAL STATEMENTS**

**30th September 2017**

### **1 Accounting policies**

#### **1.1 Basis of accounting**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### **1.2 Cash flow**

The financial statements include a cash flow statement as required by FRS 102.

#### **1.3 Turnover**

Turnover comprises goods and services supplied, exclusive of value added tax and discounts.

#### **1.4 Intangible assets - Intellectual property**

Intellectual property is the estimated fair value of the development of products designed and manufactured by the company and covered by European Design Rights and Trade Mark registration. In determining the status of the intellectual property, the directors have taken cognisance of the requirements of FRS 102 relating to intangible assets. The asset value is being written off over 5 years by equal installments.

#### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost. Depreciation is provided at variable rates calculated to write off the asset, less any residual value, over its estimated useful working life.

#### **1.6 Stock and trial units**

Component stock is valued at the lower of cost and net realisable value. Units on trial with potential customers are valued at component stock value and no profit is accounted for until a sale is made.

#### **1.7 Work in progress**

Work in progress is valued at cost plus the proportion of profit earned up accounting date where goods are ready for shipment.

#### **1.8 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing these financial statements



**CARBONLIGHTS SOLUTIONS LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**30th September 2017**

|   | <b>2017</b>   | <b>2016</b>   |
|---|---------------|---------------|
|   | £             | £             |
| <b>2 EBITDA</b>   |               |               |
| Earnings before interest, tax,<br>depreciation and amortization are<br>reported after charging: |               |               |
| Directors' remuneration   | <u>33,002</u> | <u>75,630</u> |

| <b>3 Directors and Employees</b> | <b>2017</b>   | <b>2016</b>    |
|----------------------------------|---------------|----------------|
|                                  | £             | £              |
| Employees remuneration           | 48,949        | 82,420         |
| Directors' remuneration          | 33,002        | 75,630         |
| Social Security                  | <u>3,485</u>  | <u>12,080</u>  |
|                                  | <u>85,436</u> | <u>170,130</u> |

In the year to 30<sup>th</sup> September 2017, 3 directors received remuneration in the form of salary taxable under PAYE in respect of their executive duties, the highest paid director receiving £15,000 gross. No director received any benefits in kind or pension contributions.

| <b>4 Taxation</b>                                   | <b>2017</b> | <b>2016</b> |
|---|-------------|-------------|
|   | £           | £           |
| Corporation tax on profit on ordinary<br>activities | <u>0</u>    | <u>0</u>    |

Losses in respect of accounting periods up to and including 30<sup>th</sup> September 2016 agreed as being available for offset against future taxable profits amount to £440,636.

| <b>5 Depreciation and amortisation</b>                      | <b>2017</b>    | <b>2016</b>    |
|---|----------------|----------------|
|   | £              | £              |
| Depreciation of the revaluation of<br>Intellectual Property | 118,400        | 118,400        |
| Tangible asset depreciation.                                | <u>243</u>     | <u>3,630</u>   |
|   | <u>118,643</u> | <u>122,030</u> |

| <b>6 Net finance costs</b> | <b>2017</b>   | <b>2016</b>    |
|----------------------------|---------------|----------------|
|                            | £             | £              |
| Bank and Loan interest     | 611           | 1,310          |
| Factoring charges          | 5,968         | 3,392          |
| Preference dividend        | 11,200        | 11,200         |
| Bank charges               | <u>82</u>     | <u>360</u>     |
|                            | <u>17,861</u> | <u>£16,262</u> |

**CARBONLIGHTS SOLUTIONS LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**

**30th September 2017**

|          |  |  |                       |
|----------|--|--|-----------------------|
| <b>7</b> | <b>Fixed assets</b>                                  | Tangible assets incl product development | Intangible asset      |
|          | <b>Cost or Valuation:</b>                            | £  | £                     |
|          | At 30 September 2016                                 | 10,576                                   | 355,200               |
|          | Additions at cost                                    | 0  | 0                     |
|          | Written off revenue account during the year (note 5) |  | -118,400              |
|          | Depreciation   | <u>-243</u>                              | <u></u>               |
|          | Written down value                                   | <u><u>10,333</u></u>                     | <u><u>236,800</u></u> |

Valuation at 30<sup>th</sup> September 2016 is represented by intellectual property valued by the directors on an open market basis at 30<sup>th</sup> September 2014 less amortization.

|          |  |                      |                      |
|----------|--|----------------------|----------------------|
| <b>8</b> | <b>Receivables</b>                         | <b>2017</b>          | <b>2016</b>          |
|          |  | £                    | £                    |
|          | <b>Amounts falling due within one year</b> |                      |                      |
|          | Trade debtors (less payments in advance)   | 40,979               | 12,999               |
|          | Other debtors                              | <u>0</u>             | <u>0</u>             |
|          |  | <u><u>40,979</u></u> | <u><u>12,999</u></u> |

|          |                                    |                       |                      |
|----------|------------------------------------|-----------------------|----------------------|
| <b>9</b> | <b>Creditors: Current</b>          | <b>2017</b>           | <b>2016</b>          |
|          |                                    | £                     | £                    |
|          | Trade creditors                    | 57,754                | 38,788               |
|          | Corporation tax                    | 0                     | 0                    |
|          | Other taxation and social security | 3,960                 | 7,116                |
|          | Invoice factoring advances         | 40,244                | 5,335                |
|          | Directors' loan accounts           | 19,881                | 21,698               |
|          | Bank loan due < 12 months          | 0                     | 9,933                |
|          | Bank overdraft                     | 4,867                 | 8052                 |
|          | Accruals and deferred income       | <u>0</u>              | <u>0</u>             |
|          |                                    | <u><u>126,706</u></u> | <u><u>90,922</u></u> |

**CARBONLIGHTS SOLUTIONS LIMITED**  
**NOTES ON FINANCIAL STATEMENTS**

**30th September 2017**

**10 Creditors: Non current**

|                                       | <b>2017</b>    | <b>2016</b>    |
|---------------------------------------|----------------|----------------|
| 7% £1 Cumulative Preference shares    | 40,000         | 40,000         |
| 8.5% £1 Cumulative Preference shares  | 40,000         | 40,000         |
| 10.0% £1 Cumulative Preference shares | 50,000         | 50,000         |
|                                       | <u>130,000</u> | <u>130,000</u> |

**11 Called up share capital**

|   | <b>30<sup>th</sup> September 2017</b> |            | <b>30<sup>th</sup> September 2016</b> |            |
|---|---------------------------------------|------------|---------------------------------------|------------|
|   | <b>Number of<br/>shares</b>           | <b>£</b>   | <b>Number of<br/>shares</b>           | <b>£</b>   |
| <b>Allotted, called up and<br/>fully paid</b> |                                       |            |                                       |            |
| Ordinary shares                               | 2,400,000                             | 240        | 2,400,000                             | 240        |
| A ordinary shares                             | 2,925,000                             | 292        | 2,925,000                             | 292        |
| B ordinary shares                             | 1,655,478                             | 166        | 1,655,478                             | 166        |
|   | <u>6,980,478</u>                      | <u>698</u> | <u>6,980,478</u>                      | <u>698</u> |

**12 Guarantees and other financial commitments**

The company's bankers, HSBC Bank, hold a fixed and floating charge over the assets of the company to the limit of the company's outstanding indebtedness. Two of the directors and one former director have given the bank their joint and several personal guarantees in respect of the indebtedness.

**13 Bribery and anti corruption policy**

It is the company's policy to conduct all of its business in an honest and ethical manner and we take a zero-tolerance approach to bribery and corruption within Carbonlights Solutions Limited. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate, and implementing and enforcing effective systems to counter bribery.

**14 Related party transactions**

No director has any interest, direct or indirect, in any other contract entered into by the company.

**15 Ultimate controlling party**

No one person has overall control of the company.