

Audited Financial Statements
for the Year Ended 31 March 2021
for
Equitix ESI Retrofit (Lighting) Limited

Contents of the Financial Statements
for the Year Ended 31 March 2021

	Page
Company Information	1
Statement of Financial Position	2
Notes to the Financial Statements	3

Equitix ESI Retrofit (Lighting) Limited

Company Information
for the Year Ended 31 March 2021

DIRECTORS:

P J Ireland
A Price

REGISTERED OFFICE:

18 Riversway Business Village
Navigation Way
Preston
Lancashire
PR2 2YP

REGISTERED NUMBER:

09504784 (England and Wales)

AUDITORS:

Willsons (Higham Ferrers) Ltd
Chartered Accountants
Statutory Auditors
Carlton House, High Street
Higham Ferrers
Northamptonshire
NN10 8BW

Statement of Financial Position

31 March 2021

	Notes	31.3.21 £	£	31.3.20 £	£
FIXED ASSETS					
Tangible assets	4		362,654		521,516
CURRENT ASSETS					
Debtors	5	29,897		29,897	
Cash at bank		<u>19,414</u>		<u>63,075</u>	
		49,311		92,972	
CREDITORS					
Amounts falling due within one year	6	<u>573,865</u>		<u>748,976</u>	
NET CURRENT LIABILITIES			<u>(524,554)</u>		<u>(656,004)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(161,900)		(134,488)
CREDITORS					
Amounts falling due after more than one year	7		-		67,594
NET LIABILITIES			<u>(161,900)</u>		<u>(202,082)</u>
CAPITAL AND RESERVES					
Called up share capital			1		1
Retained earnings			<u>(161,901)</u>		<u>(202,083)</u>
SHAREHOLDERS' DEFICIT			<u>(161,900)</u>		<u>(202,082)</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 7 December 2021 and were signed on its behalf by:

A Price - Director

Notes to the Financial Statements
for the Year Ended 31 March 2021

1. **STATUTORY INFORMATION**

Equitix ESI Retrofit (Lighting) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty

Judgements

Going concern

As described in the going concern note below, the validity of the going concern basis is dependent upon the ability of the Company to generate sufficient cash flow in the future to make loan repayments to Equitix ESI Retrofit Finance Limited, which is an associate of the 100% shareholder of the Company. After making enquiries and considering the matters referred to in the going concern note, the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for a period of not less than 12 months from the date of approval of the financial statements. For these reasons the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Tangible assets

Based on the project agreements, the installations of the energy efficient lighting apparatus on the customer site are capitalised as fixed assets. The risks and reward of ownership of the lighting apparatus remain with the Company at all times during the term of the agreement.

Turnover

Turnover represents the total income receivable, excluding value added tax. Turnover is recognised based on the energy services agreement signed with one customer in one location to retrofit the existing light fittings with energy efficiency LED lamps. The Company is entitled to a monthly service fee, calculated based on the customer's annual energy savings over the set life of the project, on completion of each phase of the project.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Plant and machinery - This is calculated based on the project agreement. Straight line over 7 years after the completion on phase 1 of the project and over 6 years after the completion on phase 2 of the project. The residual values will be £1 at the end of the periods.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. ACCOUNTING POLICIES - continued

Financial instruments

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

The Company has group loan note agreements with Equitix ESI Retrofit Finance Limited a fellow group undertaking. The interest rate is fixed at 12% per annum and was payable 6 monthly in arrears but no standard interest repayment or redemption terms have been imposed due to the cashflow nature of the projects. The loans have therefore been recorded at transaction price. The 'deferred' interest per the loan agreements have been added to the loan capital.

All deferred loan interest and loan notes not redeemed at their redemption date have been reclassified as due within one year.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Going concern

The financial statements have been prepared on a going concern basis. The Company has accumulated losses to date of £161,901 (2020: £202,083) but has secure contracts with set income as detailed in Note 14. There are no further contracts currently signed so the Company's income is currently limited to the amounts disclosed in the Note, with project expenditure also due to end at the same point as well. The directors believe the Company to be a going concern due to a positive cashflow forecast for the next twelve months from the date of approval of the financial statements. The Company has the discretion to defer payment of the group interest if it has insufficient funds available. Those forecasts are also dependent on parent and group entities not seeking repayment of the amounts due or overdue to the group, which at 31 March 2021 amounted to £550,052. On this basis the Directors believe that the Company will have adequate resources to continue in operation existence for the foreseeable future.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was NIL (2020 - NIL).

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

4. **TANGIBLE FIXED ASSETS**

	Plant and machinery £
COST	
At 1 April 2020 and 31 March 2021	<u>1,015,743</u>
DEPRECIATION	
At 1 April 2020	494,227
Charge for year	<u>158,862</u>
At 31 March 2021	<u>653,089</u>
NET BOOK VALUE	
At 31 March 2021	<u>362,654</u>
At 31 March 2020	<u>521,516</u>

5. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.21 £	31.3.20 £
Trade debtors	<u>29,897</u>	<u>29,897</u>

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.21 £	31.3.20 £
Trade creditors	-	1,467
Amounts owed to group undertakings	550,052	718,963
VAT	19,385	22,368
Accrued expenses	<u>4,428</u>	<u>6,178</u>
	<u>573,865</u>	<u>748,976</u>

7. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.3.21 £	31.3.20 £
Amounts owed to group undertakings	<u>-</u>	<u>67,594</u>

The Company has group loan agreements with Equitix ESI Retrofit Finance Limited, a fellow group undertaking. The interest rate is fixed at 12%.

8. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.3.21 £	31.3.20 £
Amounts owed to group	<u>550,052</u>	<u>786,557</u>

Fixed and floating charges over the property of the company.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Craig Baird FCA (Senior Statutory Auditor)
for and on behalf of Willsons (Higham Ferrers) Ltd

10. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

11. ULTIMATE CONTROLLING PARTY

The Company's immediate parent is Equitix ESI Retrofit Limited. Equitix ESI Retrofit Limited's joint owners are Equitix Energy Efficiency Fund LP (the ultimate parent of Equitix Energy Efficiency Fund Holdco Limited, a company incorporated in Guernsey) and Energy Saving Investments LP, a limited partnership registered in England and Wales. Copies of the accounts of Equitix Energy Efficiency Fund Holdco Limited are not publicly available. The Company's results are not consolidated into the group as it has been defined as an investment entity under IFRS 10.

12. INCOME AGREEMENTS

Minimum income receivables from a customer under non-cancellable agreements fall due as follows:
Within one year £298,966 (2020 - £298,966); between one and five years £337,764 (2020 - £636,730).

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.