

Company Registration No. 07422421 (England and Wales)

ECOLUTION ENERGY SERVICES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

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ECOLUTION ENERGY SERVICES LIMITED

COMPANY INFORMATION

Directors	K D Knapp A J Knapp P Bradbury
Company number	07422421
Registered office	32-34 St John's Road Tunbridge Wells Kent TN4 9NT
Auditor	Perrys Accountants Limited Chartered Accountants 32-34 St John's Road Tunbridge Wells Kent TN4 9NT

ECOLUTION ENERGY SERVICES LIMITED

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ECOLUTION ENERGY SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2017

The directors present their annual report and financial statements for the year ended 30 June 2017.

Principal activities

The principal activity of the company in the year under review was that of the supply of maintenance and monitoring services to energy systems.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

K D Knapp

A J Knapp

Ms G J Stewart

P Bradbury

(Resigned 2 November 2016)

Auditor

The auditor, Perrys Accountants Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



K D Knapp

Director

2 March 2018

ECOLUTION ENERGY SERVICES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2017

The directors are responsible 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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. 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.

ECOLUTION ENERGY SERVICES LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 30 JUNE 2017

	Notes	2017 £	2016 £
Turnover	3	1,616,663	1,062,157
Cost of sales		(761,838)	(486,438)
Gross profit		854,825	575,719
Administrative expenses		(692,305)	(420,464)
Operating profit	4	162,520	155,255
Interest payable and similar expenses	7	(1,477)	-
Profit before taxation		161,043	155,255
Tax on profit	8	(27,450)	(33,726)
Profit for the financial year		133,593	121,529
Retained earnings brought forward		(219,261)	(340,790)
Retained earnings carried forward		(85,668)	(219,261)

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

ECOLUTION ENERGY SERVICES LIMITED (REGISTERED NUMBER: 07422421)

BALANCE SHEET

AS AT 30 JUNE 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	9		94,150		87,882
Current assets					
Stocks	10	95,941		23,787	
Debtors	11	445,865		194,729	
Cash at bank and in hand		88,107		75,316	
		<u>629,913</u>		<u>293,832</u>	
Creditors: amounts falling due within one year	12	<u>(747,241)</u>		<u>(562,641)</u>	
Net current liabilities			<u>(117,328)</u>		<u>(268,809)</u>
Total assets less current liabilities			<u>(23,178)</u>		<u>(180,927)</u>
Creditors: amounts falling due after more than one year	13		(54,248)		(35,690)
Provisions for liabilities	15		<u>(8,241)</u>		<u>(2,643)</u>
Net liabilities			<u><u>(85,667)</u></u>		<u><u>(219,260)</u></u>
Capital and reserves					
Called up share capital	17		1		1
Profit and loss reserves			<u>(85,668)</u>		<u>(219,261)</u>
Total equity			<u><u>(85,667)</u></u>		<u><u>(219,260)</u></u>

The financial statements were approved by the board of directors and authorised for issue on 2 March 2018 and are signed on its behalf by:



K D Knapp
Director

ECOLUTION ENERGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

Company information

Ecolution Energy Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is 32-34 St John's Road, Tunbridge Wells, Kent, TN4 9NT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29A;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Cel-f Solar Systems Limited.

1.2 Going concern

The financial statements have been prepared on the basis that the company will be a going concern for a period of at least 12 months from the date of approval of the financial statements. The directors have reviewed cash flow forecasts supporting this view and have received assurances from the ultimate parent undertaking, Cel-F Solar Systems Limited, that ongoing financial support will be available to the company as required to ensure that it is able to meet its liabilities as they fall due.

1.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

ECOLUTION ENERGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably
- it is probably that the company will received the consideration due under the contract
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% on cost
Computer equipment	25% on cost
Motor vehicles	25% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

ECOLUTION ENERGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

1.7 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Basic financial liabilities

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

ECOLUTION ENERGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.9 Employee benefits

The company operates an employee share ownership plan (ESOP) trust and has de facto control of the shares held by the trust and bears their benefits and risks. The company records assets and liabilities of the trust as its own. Consideration paid by the ESOP scheme for shares of the company is deducted from equity. Finance costs and administrative expenses incurred by the company in relation to the ESOP are recognised on an accruals basis.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2 Judgements and key sources of estimation uncertainty

There are no judgements or estimates that have been made by the directors which are considered material to the financial statements.

3 Turnover and other revenue

The whole of turnover is attributable to the rendering of services.

All turnover arose within the United Kingdom.

ECOLUTION ENERGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

4 Operating profit

	2017 £	2016 £
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	3,246	3,065
Depreciation of owned tangible fixed assets	5,789	6,549
Depreciation of tangible fixed assets held under finance leases	22,194	9,681
Cost of stocks recognised as an expense	331,711	227,702
	<u>331,711</u>	<u>227,702</u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2017 Number	2016 Number
23	13
<u>23</u>	<u>13</u>

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	736,803	431,736
Social security costs	57,488	29,432
Pension costs	28,886	3,081
	<u>823,177</u>	<u>464,249</u>

6 Directors' remuneration

	2017 £	2016 £
Remuneration for qualifying services	12,000	17,200
Company pension contributions to defined contribution schemes	1,800	-
	<u>13,800</u>	<u>17,200</u>

7 Interest payable and similar expenses

	2017 £	2016 £
Interest on bank overdrafts and loans	1,477	-
	<u>1,477</u>	<u>-</u>

ECOLUTION ENERGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

8 Taxation

	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	26,141	31,083
Adjustments in respect of prior periods	(4,289)	-
	<u>21,852</u>	<u>31,083</u>
Total current tax	<u>21,852</u>	<u>31,083</u>
Deferred tax		
Origination and reversal of timing differences	5,598	2,643
	<u>5,598</u>	<u>2,643</u>
Total tax charge	<u>27,450</u>	<u>33,726</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	<u>161,043</u>	<u>155,255</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.75% (2016: 20.00%)	31,806	31,051
Adjustments in respect of prior years	(4,289)	-
Deferred tax not recognised	(67)	2,675
	<u>27,450</u>	<u>33,726</u>
Taxation charge for the year	<u>27,450</u>	<u>33,726</u>

ECOLUTION ENERGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

9 Tangible fixed assets

	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
Cost				
At 1 July 2016	600	23,990	84,881	109,471
Additions	-	890	44,636	45,526
Disposals	-	-	(11,274)	(11,274)
At 30 June 2017	600	24,880	118,243	143,723
Depreciation and impairment				
At 1 July 2016	300	6,672	14,618	21,590
Depreciation charged in the year	150	5,639	22,194	27,983
At 30 June 2017	450	12,311	36,812	49,573
Carrying amount				
At 30 June 2017	150	12,569	81,431	94,150
At 30 June 2016	300	17,319	70,263	87,882

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2017 £	2016 £
Motor vehicles	81,431	70,263
Depreciation charge for the year in respect of leased assets	22,194	9,681

10 Stocks

	2017 £	2016 £
Raw materials and consumables	95,941	23,787

ECOLUTION ENERGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

11 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	353,525	150,067
Amounts owed by group undertakings	61,782	-
Other debtors	15,467	-
Prepayments and accrued income	15,091	44,662
	<u>445,865</u>	<u>194,729</u>

12 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Obligations under finance leases	14	27,224	27,266
Trade creditors		56,557	64,361
Amounts due to group undertakings		326,596	281,122
Corporation tax		26,141	31,083
Other taxation and social security		140,593	105,220
Other creditors		34,148	-
Accruals and deferred income		135,982	53,589
		<u>747,241</u>	<u>562,641</u>

13 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Obligations under finance leases	14	54,248	35,690
		<u>54,248</u>	<u>35,690</u>

14 Finance lease obligations

	2017 £	2016 £
Future minimum lease payments due under finance leases:		
Within one year	27,224	27,266
In two to five years	54,248	35,690
	<u>81,472</u>	<u>62,956</u>

Finance lease payments represent rentals payable by the company for certain items of motor vehicles. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

ECOLUTION ENERGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2017

15 Provisions for liabilities

	Notes	2017 £	2016 £
Deferred tax liabilities	16	8,241	2,643
		<u>8,241</u>	<u>2,643</u>

16 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2017 £	Liabilities 2016 £
Balances:		
Accelerated capital allowances	8,241	2,643
	<u>8,241</u>	<u>2,643</u>
Movements in the year:		2017 £
Liability at 1 July 2016		2,643
Charge to profit or loss		5,598
		<u>8,241</u>
Liability at 30 June 2017		<u>8,241</u>

17 Share capital

	2017 £	2016 £
Ordinary share capital Issued and fully paid		
1 Ordinary of £1 each	1	1
	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

18 Financial commitments, guarantees and contingent liabilities

The company has given a fixed and floating charge over its assets both present and future in connection with the banking facilities of group undertakings within the Cel-F Solar Systems Limited group. As at the balance sheet date the outstanding loan amounted to £264,650.

19 Related party transactions

ECOLUTION ENERGY SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2017

19 Related party transactions

(Continued)

The company has taken advantage of the exemption within FRS 102 from the requirement to disclose transactions entered into between two or more members of a group provided that any subsidiary which is party to the transaction is wholly owned by such a member.

Ecolution House LLP

Common ultimate beneficiaries

During the year the company incurred management charges from Ecolution House LLP amounting to £73,586 (2016: £54,259). At the balance sheet date an outstanding balance of £14,824 (2016: £17,268) was owed.

20 Controlling party

Cel-F Solar Systems Limited is regarded by the directors as the company's ultimate controlling party.

Cel-F Solar Systems Limited is the smallest and largest group for which consolidated financial statements are prepared in which the company's results are included. The consolidated financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

ECOLUTION ENERGY SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ECOLUTION ENERGY SERVICES LIMITED

Opinion

We have audited the financial statements of Ecolution Energy Services Limited (the 'company') for the year ended 30 June 2017 which comprise the Statement of Income and Retained Earnings, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

ECOLUTION ENERGY SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ECOLUTION ENERGY SERVICES LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

ECOLUTION ENERGY SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ECOLUTION ENERGY SERVICES LIMITED

Perrys

**Declan McCusker (Senior Statutory Auditor)
for and on behalf of Perrys Accountants Limited**

**Chartered Accountants
Statutory Auditor**

14 MARCH 2018

32-34 St John's Road
Tunbridge Wells
Kent
TN4 9NT