

**EVANCE WIND TURBINES LIMITED**

**Abbreviated Financial Statements**

**31 March 2013**

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# **EVANCE WIND TURBINES LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2013 CONTENTS**

### **Page**

<b>Independent auditor's report</b>	<b>1</b>
<b>Balance sheet account</b>	<b>2</b>
<b>Notes to the financial statements</b>	<b>3</b>

## **INDEPENDENT AUDITOR'S REPORT TO EVANCE WIND TURBINES LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated financial statements, consisting of the balance sheet and the related notes 1 to 7, together with the financial statements of Evance Wind Turbines Limited for the year ended 31 March 2013 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company in accordance with Section 449 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

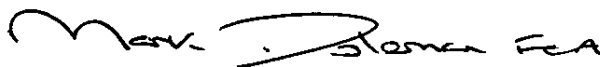
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements to the Registrar of Companies and whether the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

### **Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board in accordance with that Bulletin. We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work did not include examining or dealing with events after the date of our report on the financial statements.

### **Opinion on financial statements**

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 444(3) of the Companies Act 2006, and the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section.



Mark Doleman FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Nottingham  
United Kingdom

18 December 2013

# EVANCE WIND TURBINES LIMITED

## BALANCE SHEET 31 March 2013

	Note	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	2	102,066	108,196
Investments	3	1	-
		<u>102,067</u>	<u>108,196</u>
<b>CURRENT ASSETS</b>			
Stocks		1,103,291	627,116
Debtors	4	750,390	1,381,599
Cash at bank and in hand		966,451	1,738,590
		<u>2,820,132</u>	<u>3,747,305</u>
<b>CREDITORS: amounts falling due within one year</b>		<u>(1,394,668)</u>	<u>(2,641,537)</u>
<b>NET CURRENT ASSETS</b>		<u>1,425,464</u>	<u>1,105,768</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,527,531</u>	<u>1,527,531</u>
<b>CREDITORS: amounts falling due after more than one year</b>			
Other creditors – shareholders' loans		<u>(4,441,951)</u>	<u>(4,422,073)</u>
		<u>(4,441,951)</u>	<u>(4,422,073)</u>
<b>PROVISIONS FOR LIABILITIES</b>		<u>(351,813)</u>	<u>(250,490)</u>
<b>NET LIABILITIES</b>		<u>(3,266,233)</u>	<u>(3,458,599)</u>
<b>CAPIAL AND RESERVES</b>			
Called up share capital	5	303,910	303,910
Share premium account		2,300,471	2,300,471
Profit and loss account		<u>(5,870,614)</u>	<u>(6,062,980)</u>
<b>SHAREHOLDERS' DEFICIT</b>		<u>(3,266,233)</u>	<u>(3,458,599)</u>

These abbreviated financial statements have been prepared in accordance with the special provisions for small companies subject to the small companies regime

Company Registration number 03885429

The abbreviated financial statements were approved by the Board of Directors and authorised for issue on 10th December 2013 and signed on behalf of the Board of Directors by



K Parslow  
Director

# EVANCE WIND TURBINES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2013

### 1 ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding year.

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard for Smaller Entities (effective April 2008).

#### **Going concern**

The directors have reviewed current trading levels and forecast results for a period of at least 12 months from the date of approval of the financial statements. Since the latest reduction in Feed In Tariffs from 1st December 2012, the UK market for small wind turbines has reduced in size. Looking forward, there are uncertainties about the potential impact on wind market of the next planned FIT change implemented from 1st April 2014. The business has responded to these challenges by ensuring that overheads, staff levels and cash expenditure are in line with the current and projected size of the business. The directors are of the opinion, that the company has sufficient funds to trade for the foreseeable future and they themselves therefore consider the going concern basis of preparation to be appropriate.

#### **Turnover**

The turnover shown in the profit and loss account represents the value of goods sold during the period, less returns received, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the company has fulfilled its contractual obligations and the risks and rewards attaching to the product, such as obsolescence, have been transferred to the customer. Where deposits are received in advance of the company's fulfilment of orders, these are included in creditors and released when despatched.

#### **Research and development**

Research and development expenditure is written off in the profit and loss account in the period in which it is incurred.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost less depreciation and net of any provision for impairment. Cost includes all incidental expenditure incurred in bringing the asset into working condition for its intended use.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as:

Equipment and tooling	25% straight line
Fixtures & fittings	25% straight line
Computer equipment	33% straight line

#### **Stock and work in progress**

Stock and work in progress is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. The cost is based on the cost of purchase on a first in first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions.

## **EVANCE WIND TURBINES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2013**

Deferred tax is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date

# EVANCE WIND TURBINES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) Year ended 31 March 2013

### 1. ACCOUNTING POLICIES (Continued)

#### Current tax

Current UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

#### Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date

Non-monetary assets and liabilities and transaction in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction

Exchange differences are taken into account in arriving at the operating result

#### Financial instruments

Financial instruments are classified and accounted for as financial assets, financial liabilities or equity instruments, according to the substance of the contractual arrangement

Financial instruments which are assets are stated at cost less any provision for impairment. Financial liabilities are stated at principal capital amounts outstanding at the period end. Issue costs relating to financial liabilities are deducted from the outstanding balance and are amortised over the period due to the due date for repayment of the financial liability.

An equity instrument contains both an equity and a liability element, and then the liability element is first established with any residual value being disclosed within equity shareholders' funds. The liability element is the present value of the future payments guaranteed to be made to the holders of the financial instrument.

#### Warranty costs

Where goods are sold with a warranty, provision is made for the expected costs of servicing that warranty. This provision is based on costs incurred in respect of similar goods. Costs subsequently incurred historically are charged against the provision.

### 2. TANGIBLE FIXED ASSETS

	Equipment and tooling £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 April 2012	234,973	80,214	68,100	383,287
Additions	31,689	8,314	10,382	50,385
At 31 March 2013	266,662	88,528	78,482	433,672
<b>Depreciation</b>				
At 1 April 2012	159,771	61,749	53,571	275,091
Charge for the year	35,999	10,102	10,414	56,515
At 31 March 2013	195,770	71,851	63,985	331,606
<b>Net book value</b>				
At 31 March 2013	70,892	16,677	14,497	102,066
At 31 March 2012	75,202	18,465	14,529	108,196

# EVANCE WIND TURBINES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (Continued) Year ended 31 March 2013

### 3. INVESTMENTS

The investments held in the Company balance sheet comprise the cost of shares in the subsidiary undertaking

	2013 £	2012 £
Shares in subsidiary undertaking	1	-

Details of subsidiary undertaking

*Evance Investments Limited*

<i>Nature of business</i>	Non-trading holding company
<i>Holding</i>	100%

### 4. DEBTORS

Debtors include amounts of £Nil (2012 £Nil) falling due after more than one year

### 5 CALLED UP SHARE CAPITAL

	2013 £	2012 £
<b>Called up, allotted and fully paid</b>		
5,541,663 'A' ordinary shares of £0.01 each	55,417	55,417
921,053 'AA' ordinary shares of £0.01 each	9,210	9,210
12,208,896 'B' ordinary shares of £0.01 each	122,089	122,089
11,719,403 'D' ordinary shares of £0.01 each	117,194	117,194
	<u>303,910</u>	<u>303,910</u>

The principal rights attached to the various categories of shares are as follows

All shares rank pari passu in all respects, except for the 'D' shares

The 'D' shares carry no voting rights

The shares rank pari passu for dividends except the 'D' shares would have a deemed nominal value of £0.0001 per share

On a return of capital the shares will rank pari passu except the 'D' shares will be restricted to their issue price

Full details of the rights to these shares can be obtained from the Articles of Association available at Companies House

### 6. RELATED PARTIES

Related party transactions in relation to directors are as follows

Directors' emoluments include £24,443 (2012 £22,689) of payments made to Foresight Group in respect of the services of R G Healy

### 7. ULTIMATE CONTROLLING PARTY

The directors do not consider that the company has a single controlling party