

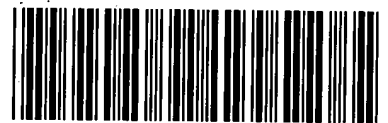
REGISTERED NUMBER: 06087965 (England and Wales)

RENEWABLE TECHNICAL SERVICES LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30 JUNE 2015

THURSDAY



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31/03/2016

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COMPANIES HOUSE

RENEWABLE TECHNICAL SERVICES LIMITED
CONTENTS OF THE ABBREVIATED ACCOUNTS
For The Year Ended 30 June 2015

	Page
Company Information	1
Managing Director's Report	2
Report of the Independent Auditors on the Abbreviated Accounts	3
Abbreviated Balance Sheet	4
Notes to the Abbreviated Accounts	5 to 8

RENEWABLE TECHNICAL SERVICES LIMITED

COMPANY INFORMATION
For The Year Ended 30 June 2015

DIRECTORS:

C Palmer
D Steventon
B Brimstead

SECRETARY:

C Palmer

REGISTERED OFFICE:

Unit 2, Constellation Park
Orion Way
Kettering
Northamptonshire
NN15 6NL

REGISTERED NUMBER:

06087965 (England and Wales)

AUDITORS:

Haines Watts South Midlands Audit LLP
78 Tenter Road
Moulton Park
Northampton
Northamptonshire
NN3 6AX

RENEWABLE TECHNICAL SERVICES LIMITED

MANAGING DIRECTOR'S REPORT For The Year Ended 30 June 2015

On behalf of the board of directors I am pleased to inform you of the results of Renewable Technical Services Limited for the twelve months to 30th June 2015.

During this period the Company achieved turnover of £2,959,099 and a loss of £56,910 after interest and tax

This is an increase in turnover of 22.8% over the previous year.

During the year net tax credits of circa £246,000 were received from HMRC in respect of Research and Development undertaken by the Company. This level of investment underpins the strategy that the future success of the Company will be driven by innovation and technical excellence.

During the year the company secured long term framework agreements with all five of the major Wind Turbine OEMs, which will lead to greater certainty of revenues from a wider customer base.

The Board of Directors have assessed the potential risks and uncertainties to the business and have looked how these could be mitigated:

Political risks associated with the implementation of "green policies

The government has removed subsidies for onshore wind farms diverting them offshore. The directors have taken the decision to avoid major onshore construction projects and no such work is included in the sales forecast. Its main focus is inspection, maintenance and repair of the turbines through framework agreements, which will result in greater security of earnings in the future.

Relationships with customers

In previous years the business has concentrated on gaining business from one or two major customers. The company has been successful in widening its customer base holding five framework agreements with the major OEM's mentioned earlier in this report. It now has regular work from over twenty companies, which mitigates the risk.

Weather risk

The weather risk has been reduced by clauses in the terms and conditions that place the risks for disruption on the customer. Also a number of services provided by the company are not weather dependant.

The current year has started well with record revenues in the first quarter. Taking into account new orders won and the high level discussions with customers for future work I am extremely confident that the business will report substantial growth and an EBIT profit this year as well as generating a significant amount of cash reserves. This will enable the business to fund any increase in working capital as it grows and provide the investment required to ensure that the company can continue to provide a best in class service to its customers.

I can confirm that the Company has set a number of KPI's to be achieved in the coming year. These are:

- To be able to demonstrate an outstanding commitment to the health, safety and wellbeing of our employees.
- To achieve significant growth in the business, maintaining margins and strengthening the financial position of the company.
- To concentrate on the providing more technical services within our existing market areas by the further development of our core skills.
- To continue to increase the training, skills and motivation of our workforce.

The Finance Director, Ian Sharpe retired in August 2015 after over five years with the business. I would like to pay tribute to him for all his hard work and dedication and wish him a long and happy retirement.

Finally, I would also like to pay tribute to the hard work and dedication of the entire RTS team, which has contributed to the successful development of the company and in positioning it to achieve even greater things in the coming year.

**REPORT OF THE INDEPENDENT AUDITORS TO
RENEWABLE TECHNICAL SERVICES LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages four to eight, together with the full financial statements of Renewable Technical Services Limited for the year ended 30 June 2015 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 work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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 auditors

The directors are responsible for preparing the abbreviated accounts 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 accounts to the Registrar of Companies and whether the abbreviated accounts 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 accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

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

Other information

On 30/03/2016 we reported as auditors to the shareholders of the company on the full financial statements for the year ended 30 June 2015 prepared under Section 396 of the Companies Act 2006, and our report included the following extract:

"Emphasis of Matter - Going Concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a loss before tax of £364,560 during the year ended 30 June 2015 and, at that date, it had net current liabilities of £114,881. The directors have considered the detailed cash flow forecasts in their assessment of going concern, as well as the post year end and future trading performance of the company, as detailed in note 1 of these accounts. These conditions, along with those noted in note 1, give rise to a material uncertainty."

The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.



Gary Woodhall ACA (Senior Statutory Auditor)
for and on behalf of Haines Watts South Midlands Audit LLP
78 Tenter Road
Moulton Park
Northampton
Northamptonshire
NN3 6AX

Date: 30/03/2016

ABBREVIATED BALANCE SHEET
30 June 2015

	Notes	£ 2015	£ 2014
FIXED ASSETS			
Tangible assets	2	153,667	76,514
Investments	3	<u>1</u>	<u>1</u>
		153,668	76,515
CURRENT ASSETS			
Stocks		157,623	149,815
Debtors		1,322,452	546,042
Cash at bank and in hand		<u>203,056</u>	<u>147,820</u>
		1,683,131	843,677
CREDITORS			
Amounts falling due within one year	4	<u>1,798,012</u>	<u>614,467</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(114,881)</u>	<u>229,210</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		38,787	305,725
CREDITORS			
Amounts falling due after more than one year	4	(1,426,675)	(1,690,079)
PROVISIONS FOR LIABILITIES		<u>(70,454)</u>	<u>(17,078)</u>
NET LIABILITIES		<u>(1,458,342)</u>	<u>(1,401,432)</u>
CAPITAL AND RESERVES			
Called up share capital	5	284	284
Share premium		467,277	467,277
Profit and loss account		<u>(1,925,903)</u>	<u>(1,868,993)</u>
SHAREHOLDERS' FUNDS		<u>(1,158,342)</u>	<u>(1,401,432)</u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 23/03/16 and were signed on its behalf by:


C Palmer - Director

RENEWABLE TECHNICAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS For The Year Ended 30 June 2015

1. ACCOUNTING POLICIES

Accounting convention

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

Going Concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Managing Director's Report.

During the year the company made a pre tax loss of £364,560 (this was offset by the receipt of research and development tax credits of £307,650) and had a net deficiency of assets of £1,458,342 at the balance sheet date.

The directors have therefore prepared detailed cash flow forecasts and, based on the results of these forecasts, consider that the company retains sufficient working capital to continue trading for the foreseeable future.

The assumption used in the ongoing forecast is an improvement to trading performance through the increase of customers and turnover, relative to the year under review but in line with that seen in the nine months since the year end.

The structure of the company's work has evolved as a result of a number of longer term framework agreements being agreed with many of its major customers. This has enabled the company greater visibility of earnings compared to the short term order book in previous periods. Although these contracts do not guarantee work, they do place the company as a preferred supplier. Therefore, material variations to the assumptions made in forecasting future trade and cashflow could place significant strain on the resources of the company.

The majority of outstanding debt is owed to the shareholders and the continued support of the shareholders to the company has been provided through the re arrangement of new loan repayment terms. Additional short term funding is secured against the debtors of the company, the draw down of which the company relies upon to maintain sufficient working capital.

In the directors' opinion the assumptions are fair and valid.

The directors' therefore conclude that it is appropriate to prepare the accounts on the going concern basis.

Turnover

Turnover represents the value of services provided under contracts to the extent that there is a right to consideration.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 25% on cost
Plant and machinery	- 20% on reducing balance
Computer equipment	- 33% on cost
Motor vehicles	- 25% on reducing balance
Office equipment	- 20% on reducing balance

RENEWABLE TECHNICAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued
For The Year Ended 30 June 2015

1. ACCOUNTING POLICIES - continued

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Where the outcome of a long term contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion. This is measured by reference to the contract labour costs incurred to date as a percentage of the estimated total contract labour costs.

Where the outcome of a long term contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that the total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Progress payments received, when greater than recorded turnover, are deducted from the value of work in progress.

Deferred tax

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

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

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RENEWABLE TECHNICAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued For The Year Ended 30 June 2015

2. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 July 2014	173,973
Additions	110,928
Disposals	(14,360)
At 30 June 2015	<u>270,541</u>
DEPRECIATION	
At 1 July 2014	97,459
Charge for year	31,902
Eliminated on disposal	(12,487)
At 30 June 2015	<u>116,874</u>
NET BOOK VALUE	
At 30 June 2015	<u>153,667</u>
At 30 June 2014	<u>76,514</u>

3. FIXED ASSET INVESTMENTS

	Investments other than loans £
COST	
At 1 July 2014 and 30 June 2015	<u>1</u>
NET BOOK VALUE	
At 30 June 2015	<u>1</u>
At 30 June 2014	<u>1</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Renewable Technical Services Trustees Limited

Nature of business: Trustee of an Employee Benefit Trust

	% holding
Class of shares:	
Ordinary	100.00

4. CREDITORS

Creditors include an amount of £1,920,730 (2014 - £1,560,488) for which security has been given.

5. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2015	2014
Number:	Class:	Nominal value:	£	£
9,147	Ordinary	1.25p	114	114
13,589	Ordinary A	1.25p	<u>170</u>	<u>170</u>
			<u>284</u>	<u>284</u>

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RENEWABLE TECHNICAL SERVICES LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued
For The Year Ended 30 June 2015

6: DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 30 June 2015 and 30 June 2014:

	2015 £	2014 £
C Palmer		
Balance outstanding at start of year	32,677	32,677
Amounts repaid	-	-
Balance outstanding at end of year	<u>32,677</u>	<u>32,677</u>

T Thorman resigned as director on 25 March 2014. At 30 June 2015 he owed £18,111 (2014: £21,648) to the company. This balance is shown in Amounts owed by participating interests.