

REGISTERED NUMBER: 2235902 (England and Wales)

Abbreviated Accounts  
for the Year Ended 31 May 2003  
for  
Arrow Engineering Components Limited



**Arrow Engineering Components Limited**

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for the Year Ended 31 May 2003**

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**Arrow Engineering Components Limited**

**Company Information  
for the Year Ended 31 May 2003**

**DIRECTORS:**

R Arrowsmith  
Mrs J L Arrowsmith

**SECRETARY:**

Mrs J L Arrowsmith

**REGISTERED OFFICE:**

72 Liverpool Street  
Salford  
M5 4LT

**REGISTERED NUMBER:**

2235902 (England and Wales)

**AUDITORS:**

Freedman Frankl & Taylor  
Registered Auditors  
Chartered Accountants  
Reedham House  
31 King Street West  
Manchester  
M3 2PJ

**Report of the Independent Auditors to  
Arrow Engineering Components Limited  
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts on pages three to five, together with the full financial statements of the company for the year ended 31 May 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. 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**

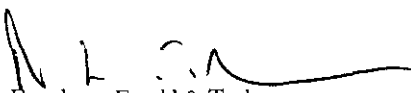
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

**Basis of opinion**

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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages three to five are properly prepared in accordance with those provisions.



Freedman Frankl & Taylor  
Registered Auditors  
Chartered Accountants  
Reedham House  
31 King Street West  
Manchester  
M3 2PJ

Date: 30/10/03

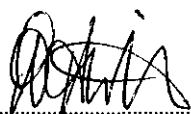
**Arrow Engineering Components Limited**

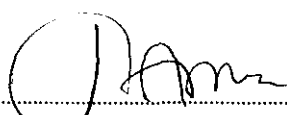
**Abbreviated Balance Sheet  
31 May 2003**

|                                                                |       | <u>2003</u>    |                 | <u>2002</u>    |                 |
|----------------------------------------------------------------|-------|----------------|-----------------|----------------|-----------------|
|                                                                | Notes | £              | £               | £              | £               |
| <b>FIXED ASSETS:</b>                                           |       |                |                 |                |                 |
| Tangible assets                                                | 2     |                | 73,514          |                | 49,350          |
| <b>CURRENT ASSETS:</b>                                         |       |                |                 |                |                 |
| Stocks                                                         |       | 492,881        |                 | 499,776        |                 |
| Debtors                                                        |       | 399,578        |                 | 302,055        |                 |
| Cash at bank and in hand                                       |       | 1,647          |                 | 250            |                 |
|                                                                |       | <u>894,106</u> |                 | <u>802,081</u> |                 |
| <b>CREDITORS:</b> Amounts falling due within one year          | 3     | <u>611,386</u> |                 | <u>560,497</u> |                 |
| <b>NET CURRENT ASSETS:</b>                                     |       |                | <u>282,720</u>  |                | <u>241,584</u>  |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>                  |       |                | 356,234         |                | 290,934         |
| <b>CREDITORS:</b> Amounts falling due after more than one year | 3     |                | (33,847)        |                | -               |
| <b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>                 |       |                | (1,364)         |                | -               |
|                                                                |       |                | <u>£321,023</u> |                | <u>£290,934</u> |
| <b>CAPITAL AND RESERVES:</b>                                   |       |                |                 |                |                 |
| Called up share capital                                        | 4     |                | 165,000         |                | 165,000         |
| Profit and loss account                                        |       |                | 156,023         |                | 125,934         |
| <b>SHAREHOLDERS' FUNDS:</b>                                    |       |                | <u>£321,023</u> |                | <u>£290,934</u> |

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**

  
.....  
R Arrowsmith - Director

  
.....  
Mrs J L Arrowsmith - Director

Approved by the Board on 30.10.03

The notes form part of these abbreviated accounts

## Arrow Engineering Components Limited

### Notes to the Abbreviated Accounts for the Year Ended 31 May 2003

#### 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 June 2002).

##### Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

##### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

|                       |               |
|-----------------------|---------------|
| Plant and machinery   | - 10% on cost |
| Fixtures and fittings | - 10% on cost |
| Motor vehicles        | - 25% on cost |
| Computer equipment    | - 33% on cost |

##### Stocks

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

##### Deferred tax

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

##### 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.

##### Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

#### 2. TANGIBLE FIXED ASSETS

|                         | Total    |
|-------------------------|----------|
|                         | £        |
| <b>COST:</b>            |          |
| At 1 June 2002          | 216,121  |
| Additions               | 44,682   |
| Disposals               | (24,255) |
|                         | <hr/>    |
| At 31 May 2003          | 236,548  |
|                         | <hr/>    |
| <b>DEPRECIATION:</b>    |          |
| At 1 June 2002          | 166,771  |
| Charge for year         | 18,786   |
| Eliminated on disposals | (22,523) |
|                         | <hr/>    |
| At 31 May 2003          | 163,034  |
|                         | <hr/>    |
| <b>NET BOOK VALUE:</b>  |          |
| At 31 May 2003          | 73,514   |
|                         | <hr/>    |
| At 31 May 2002          | 49,350   |
|                         | <hr/>    |

# **Arrow Engineering Components Limited**

## **Notes to the Abbreviated Accounts for the Year Ended 31 May 2003**

### **3. CREDITORS**

The following secured debts are included within creditors:

|                 | 2003           | 2002           |
|-----------------|----------------|----------------|
|                 | £              | £              |
| Bank overdrafts | -              | 24,109         |
| Bank loans      | 37,847         | -              |
| Other creditors | 259,561        | 230,718        |
|                 | <u>297,408</u> | <u>254,827</u> |

### **4. CALLED UP SHARE CAPITAL**

|                                  |          |                |                |                |
|----------------------------------|----------|----------------|----------------|----------------|
| Authorised:                      |          |                |                |                |
| Number:                          | Class:   | Nominal value: | 2003           | 2002           |
|                                  |          |                | £              | £              |
| 200,000                          | Ordinary | £1             | <u>200,000</u> | <u>200,000</u> |
|                                  |          |                |                |                |
| Allotted, issued and fully paid: |          |                |                |                |
| Number:                          | Class:   | Nominal value: | 2003           | 2002           |
|                                  |          |                | £              | £              |
| 165,000                          | Ordinary | £1             | <u>165,000</u> | <u>165,000</u> |

### **5. TRANSACTIONS WITH DIRECTORS**

The company's bank borrowings are secured on property owned personally by the directors, Mr R Arrowsmith and Mrs J L Arrowsmith. During the year the company paid rent on these premises amounting to £18,000 (2002 £18,000).

### **6. ULTIMATE CONTROLLING PARTY**

The company is under the ultimate control of Mr R Arrowsmith, who is a director and majority shareholder in the company.