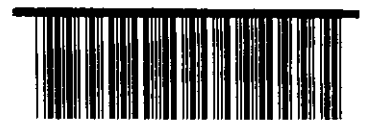


Abbreviated Accounts
for the Year Ended 31 May 2004
for
Arrow Engineering Components Limited



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Arrow Engineering Components Limited

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for the Year Ended 31 May 2004**

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Arrow Engineering Components Limited

**Company Information
for the Year Ended 31 May 2004**

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 six, together with the full financial statements of the company for the year ended 31 May 2004 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

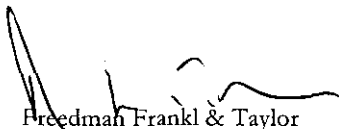
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (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 six 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: 10-2-05

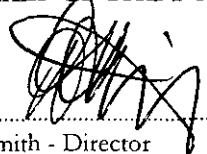
Arrow Engineering Components Limited

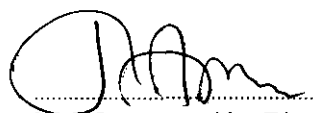
**Abbreviated Balance Sheet
31 May 2004**

		2004		2003	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		136,449		73,514
CURRENT ASSETS:					
Stocks		480,312		492,881	
Debtors		473,419		399,578	
Cash at bank and in hand		270		1,647	
		<u>954,001</u>		<u>894,106</u>	
CREDITORS: Amounts falling due within one year	3	<u>671,405</u>		<u>611,386</u>	
NET CURRENT ASSETS:			<u>282,596</u>		<u>282,720</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			419,045		356,234
CREDITORS: Amounts falling due after more than one year	3		(25,013)		(33,847)
PROVISIONS FOR LIABILITIES AND CHARGES:			(8,328)		(1,364)
			<u>£385,704</u>		<u>£321,023</u>
CAPITAL AND RESERVES:					
Called up share capital	4		165,000		165,000
Profit and loss account			<u>220,704</u>		<u>156,023</u>
SHAREHOLDERS' FUNDS:			<u>£385,704</u>		<u>£321,023</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 4.1.05

The notes form part of these abbreviated accounts

Arrow Engineering Components Limited

Notes to the Abbreviated Accounts for the Year Ended 31 May 2004

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 or, if held under a finance lease, over the lease term, whichever is the shorter.

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.

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. 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. Those held under operating leases are charged to the profit and loss account as they are incurred.

Arrow Engineering Components Limited

Notes to the Abbreviated Accounts for the Year Ended 31 May 2004

2. TANGIBLE FIXED ASSETS

	Total
	<u>£</u>
COST:	
At 1 June 2003	236,548
Additions	98,340
Disposals	<u>(24,532)</u>
At 31 May 2004	<u>310,356</u>
DEPRECIATION:	
At 1 June 2003	163,034
Charge for year	28,071
Eliminated on disposals	<u>(17,198)</u>
At 31 May 2004	<u>173,907</u>
NET BOOK VALUE:	
At 31 May 2004	<u>136,449</u>
At 31 May 2003	<u><u>73,514</u></u>

3. CREDITORS

The following secured debts are included within creditors:

	2004	2003
	<u>£</u>	<u>£</u>
Bank overdrafts	37,779	-
Bank loans	19,318	37,847
Other creditors	289,165	259,561
Hire purchase	28,943	-
	<u>375,205</u>	<u>297,408</u>

4. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2004	2003
200,000	Ordinary	£1	<u>£</u> <u>200,000</u>	<u>£</u> <u>200,000</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2004	2003
165,000	Ordinary	£1	<u>£</u> <u>165,000</u>	<u>£</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 £54,000 (2003 £18,000).

Arrow Engineering Components Limited

**Notes to the Abbreviated Accounts
for the Year Ended 31 May 2004**

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.