

**REGISTERED NUMBER: 02235902 (England and Wales)**

**Unaudited Financial Statements**  
**for the Year Ended 31 May 2017**  
**for**  
**Arrow Engineering Components Limited**

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for the Year Ended 31 May 2017**

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**Arrow Engineering Components Limited**

**Company Information  
for the Year Ended 31 May 2017**

**DIRECTORS:** Mr R Arrowsmith  
Mrs J L Arrowsmith

**SECRETARY:** Mrs J L Arrowsmith

**REGISTERED OFFICE:** 72 Liverpool Street  
Salford  
Manchester  
M5 4LT

**REGISTERED NUMBER:** 02235902 (England and Wales)

**ACCOUNTANTS:** Freedman Frankl & Taylor  
Chartered Accountants  
Reedham House  
31 King Street West  
Manchester  
M3 2PJ

**Arrow Engineering Components Limited (Registered number: 02235902)**

**Balance Sheet  
31 May 2017**

	Notes	2017 £	£	2016 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		132,790		157,436
<b>CURRENT ASSETS</b>					
Stocks	5	641,782		627,537	
Debtors	6	330,115		292,394	
Cash in hand		<u>179</u>		<u>321</u>	
		972,076		920,252	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>746,486</u>		<u>779,934</u>	
<b>NET CURRENT ASSETS</b>			<u>225,590</u>		<u>140,318</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			358,380		297,754
<b>CREDITORS</b>					
Amounts falling due after more than one year	8		(107,759)		(86,987)
<b>PROVISIONS FOR LIABILITIES</b>			<u>(18,232)</u>		<u>(21,846)</u>
<b>NET ASSETS</b>			<u>232,389</u>		<u>188,921</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			165,000		165,000
Retained earnings			<u>67,389</u>		<u>23,921</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>232,389</u>		<u>188,921</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

**Balance Sheet - continued**  
**31 May 2017**

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 2 January 2018 and were signed on its behalf by:

Mr R Arrowsmith - Director

Mrs J L Arrowsmith - Director

**Notes to the Financial Statements  
for the Year Ended 31 May 2017**

**1. STATUTORY INFORMATION**

Arrow Engineering Components Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover represents the invoice value of goods and services provided net of 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.

Improvements to property	- 2% on cost
Plant and machinery	- 10% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost

**Stocks**

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

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

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

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**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.

Notes to the Financial Statements - continued  
for the Year Ended 31 May 2017

2. ACCOUNTING POLICIES - continued

**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 profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Operating lease rentals**

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

**Going concern**

The company's financial statements for the year ended 31 May 2017 have been prepared on a going concern basis as, after making appropriate enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 24 .

4. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
<b>COST</b>			
At 1 June 2016	12,400	371,248	66,357
At 31 May 2017	<u>12,400</u>	<u>371,248</u>	<u>66,357</u>
<b>DEPRECIATION</b>			
At 1 June 2016	1,936	251,047	62,054
Charge for year	248	18,679	1,444
Eliminated on disposal	-	-	-
At 31 May 2017	<u>2,184</u>	<u>269,726</u>	<u>63,498</u>
<b>NET BOOK VALUE</b>			
At 31 May 2017	<u>10,216</u>	<u>101,522</u>	<u>2,859</u>
At 31 May 2016	<u>10,464</u>	<u>120,201</u>	<u>4,303</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 May 2017

4. **TANGIBLE FIXED ASSETS - continued**

	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>			
At 1 June 2016	23,562	60,393	533,960
Additions	200	5,770	5,970
Disposals	(1,018)	-	(1,018)
At 31 May 2017	<u>22,744</u>	<u>66,163</u>	<u>538,912</u>
<b>DEPRECIATION</b>			
At 1 June 2016	5,045	56,442	376,524
Charge for year	5,111	5,134	30,616
Eliminated on disposal	(1,018)	-	(1,018)
At 31 May 2017	<u>9,138</u>	<u>61,576</u>	<u>406,122</u>
<b>NET BOOK VALUE</b>			
At 31 May 2017	<u>13,606</u>	<u>4,587</u>	<u>132,790</u>
At 31 May 2016	<u>18,517</u>	<u>3,951</u>	<u>157,436</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 June 2016	141,060	19,079	160,139
Transfer to ownership	(108,905)	-	(108,905)
At 31 May 2017	<u>32,155</u>	<u>19,079</u>	<u>51,234</u>
<b>DEPRECIATION</b>			
At 1 June 2016	42,719	1,590	44,309
Charge for year	14,106	4,770	18,876
Transfer to ownership	(52,002)	-	(52,002)
At 31 May 2017	<u>4,823</u>	<u>6,360</u>	<u>11,183</u>
<b>NET BOOK VALUE</b>			
At 31 May 2017	<u>27,332</u>	<u>12,719</u>	<u>40,051</u>
At 31 May 2016	<u>98,341</u>	<u>17,489</u>	<u>115,830</u>

5. **STOCKS**

	2017 £	2016 £
Goods for re-sale	<u>641,782</u>	<u>627,537</u>



Notes to the Financial Statements - continued  
for the Year Ended 31 May 2017

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Trade debtors	270,476	226,400
Other debtors	59,639	65,994
	<u>330,115</u>	<u>292,394</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017	2016
	£	£
Bank loans and overdrafts	35,404	101,514
Hire purchase contracts	14,873	16,873
Trade creditors	160,135	153,736
Taxation and social security	56,518	44,365
Other creditors	479,556	463,446
	<u>746,486</u>	<u>779,934</u>

8. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2017	2016
	£	£
Bank loans	99,451	63,807
Hire purchase contracts	8,308	23,180
	<u>107,759</u>	<u>86,987</u>

9. **SECURED DEBTS**

The following secured debts are included within creditors:

	2017	2016
	£	£
Bank overdrafts	2,997	71,056
Bank loans	131,858	94,265
Hire purchase contracts	23,181	40,053
Other creditors	227,440	160,315
	<u>385,476</u>	<u>365,689</u>

10. **RELATED PARTY DISCLOSURES**

Included within the other creditors is the directors current account balance of £233,359 (2016: £282,082). There are no fixed repayment terms and no interest is chargeable to the company in respect of this balance.

The company's bank borrowings are secured on property owned personally by the directors. During the current and previous year the company occupied these premises rent free.

During the year, the company paid rent amounting to £20,497 (2016: £20,497) to a Pension Scheme, a scheme in which the directors are trustees and beneficiaries.

At the year end, the amount due the Pension Scheme was £4,295 (2016: £4,295).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.