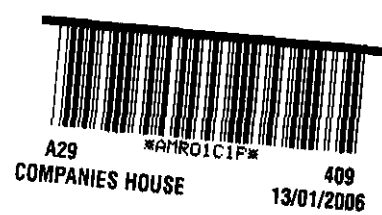


Abbreviated Accounts
for the Year Ended 31 May 2005
for
Arrow Engineering Components Limited



Arrow Engineering Components Limited

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for the Year Ended 31 May 2005**

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Arrow Engineering Components Limited

**Company Information
for the Year Ended 31 May 2005**

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)

**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 2005 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

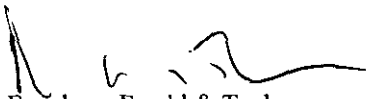
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (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: 9/1/06

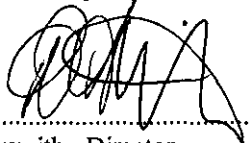
Arrow Engineering Components Limited

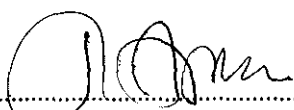
**Abbreviated Balance Sheet
31 May 2005**

		2005		2004	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	2		278,231		136,449
CURRENT ASSETS:					
Stocks		533,964		480,312	
Debtors		359,549		473,419	
Cash in hand		270		270	
		<u>893,783</u>		<u>954,001</u>	
CREDITORS: Amounts falling due within one year	3	<u>677,693</u>		<u>671,405</u>	
NET CURRENT ASSETS:			<u>216,090</u>		<u>282,596</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			494,321		419,045
CREDITORS: Amounts falling due after more than one year	3		(167,101)		(25,013)
PROVISIONS FOR LIABILITIES AND CHARGES:			(4,458)		(8,328)
			<u>£322,762</u>		<u>£385,704</u>
CAPITAL AND RESERVES:					
Called up share capital	4		165,000		165,000
Profit and loss account			<u>157,762</u>		<u>220,704</u>
SHAREHOLDERS' FUNDS:			<u>£322,762</u>		<u>£385,704</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 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:


.....
R Arrowsmith - Director


.....
Mrs J L Arrowsmith - Director

Approved by the Board on11/11/05.....

The notes form part of these abbreviated accounts

Arrow Engineering Components Limited

Notes to the Abbreviated Accounts for the Year Ended 31 May 2005

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 2005

2. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
At 1 June 2004	310,356
Additions	194,188
Disposals	(60,365)
At 31 May 2005	444,179
DEPRECIATION:	
At 1 June 2004	173,907
Charge for year	39,060
Eliminated on disposals	(47,019)
At 31 May 2005	165,948
NET BOOK VALUE:	
At 31 May 2005	278,231
At 31 May 2004	136,449

3. CREDITORS

The following secured debts are included within creditors:

	2005	2004
	£	£
Bank overdrafts	61,546	37,779
Bank loans	183,081	19,318
Other creditors	249,177	289,165
Hire purchase	34,510	28,943
	528,314	375,205

4. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2005	2004
		£1	£	£
200,000	Ordinary		200,000	200,000
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2005	2004
		£1	£	£
165,000	Ordinary		165,000	165,000

Arrow Engineering Components Limited

**Notes to the Abbreviated Accounts
for the Year Ended 31 May 2005**

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 £36,500 (2004 £54,000).

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.