

ARCADE (LANCS) LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
30th JUNE 2006



HORSFIELD & SMITH

Chartered Accountants
Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

ARCADE (LANCS) LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 30th JUNE 2006

CONTENTS

PAGES

Accountants' report to the director

1

Abbreviated balance sheet

2 to 3

Notes to the abbreviated accounts

4 to 6

ARCADE (LANCS) LIMITED

**ACCOUNTANTS' REPORT TO THE DIRECTOR OF
ARCADE (LANCS) LIMITED**

YEAR ENDED 30th JUNE 2006



HORSFIELD & SMITH
Chartered Accountants

As described on the balance sheet, the director of the company is responsible for the preparation of the abbreviated accounts for the year ended 30th June 2006, set out on pages 2 to 6.

You consider that the company is exempt from both an audit and a report under section 249A(2) of the Companies Act 1985.

In accordance with your instructions we have compiled these unaudited abbreviated accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Tower House
269 Walmersley Road
Bury
Lancashire
BL9 6NX

HORSFIELD & SMITH
Chartered Accountants

12th September 2006

ARCADE (LANCS) LIMITED
ABBREVIATED BALANCE SHEET

30th JUNE 2006

	Note	2006 £	2005 £
FIXED ASSETS	2		
Intangible assets		22,120	25,280
Tangible assets		3,060	4,151
		25,180	29,431
CURRENT ASSETS			
Stocks		22,360	24,985
Debtors		4,934	4,933
Cash at bank and in hand		11,609	11,845
		38,903	41,763
CREDITORS: Amounts falling due within one year		63,357	68,047
NET CURRENT LIABILITIES		(24,454)	(26,284)
TOTAL ASSETS LESS CURRENT LIABILITIES		726	3,147
PROVISIONS FOR LIABILITIES AND CHARGES		180	253
		546	2,894
CAPITAL AND RESERVES			
Called-up equity share capital	4	1	1
Profit and loss account		545	2,893
SHAREHOLDERS' FUNDS		546	2,894

The Balance sheet continues on the following page.
The notes on page 2 form part of these abbreviated accounts.

ARCADE (LANCS) LIMITED

ABBREVIATED BALANCE SHEET *(continued)*

30th JUNE 2006

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the financial statements for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These abbreviated financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved and signed by the director on12.9.06



MR D K HUTCHINSON
Director

The notes on page 3 form part of these abbreviated accounts.

ARCADE (LANCS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th JUNE 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Cash flow statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill - 10% per annum

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 20% straight line
Fixtures & Fittings	- 20% straight line
Motor Vehicles	- 20% straight line

Stocks

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

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

ARCADE (LANCS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th JUNE 2006

1. ACCOUNTING POLICIES *(continued)*

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. FIXED ASSETS

	Intangible Assets £	Tangible Assets £	Total £
COST			
At 1st July 2005 and 30th June 2006	<u>31,600</u>	<u>5,453</u>	<u>37,053</u>
DEPRECIATION			
At 1st July 2005	6,320	1,302	7,622
Charge for year	<u>3,160</u>	<u>1,091</u>	<u>4,251</u>
At 30th June 2006	<u>9,480</u>	<u>2,393</u>	<u>11,873</u>
NET BOOK VALUE			
At 30th June 2006	<u>22,120</u>	<u>3,060</u>	<u>25,180</u>
At 30th June 2005	<u>25,280</u>	<u>4,151</u>	<u>29,431</u>

ARCADE (LANCS) LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 30th JUNE 2006

3. TRANSACTIONS WITH THE DIRECTOR

Included in other creditors is £50,427 (2005 - £58,437) owing to Mr D K Hutchinson.

4. SHARE CAPITAL

Authorised share capital:

	2006	2005
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Equity shares				
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>