

**ARUN ELECTRONICS LIMITED**  
**UNAUDITED ABBREVIATED ACCOUNTS**  
**FOR**  
**31 DECEMBER 2006**



**MICHAEL L.V. HALSON & CO.**

Chartered Accountants  
4, Sudley Road  
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PO21 1EU

# **ARUN ELECTRONICS LIMITED**

## **ABBREVIATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2006**

<b>CONTENTS</b>	<b>PAGE</b>
Abbreviated balance sheet	1
Notes to the abbreviated accounts	2

## ARUN ELECTRONICS LIMITED

## ABBREVIATED BALANCE SHEET

31 DECEMBER 2006

	Note	2006	2005
		£	£
<b>FIXED ASSETS</b>	<b>2</b>		
Tangible assets		19,028	22,794
<b>CURRENT ASSETS</b>			
Stocks		77,227	61,013
Debtors		78,861	79,174
Cash at bank and in hand		159,345	164,436
		<u>315,433</u>	<u>304,623</u>
<b>CREDITORS: Amounts falling due within one year</b>		<u>67,610</u>	<u>64,374</u>
<b>NET CURRENT ASSETS</b>		<u>247,823</u>	<u>240,249</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>266,851</u>	<u>263,043</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	<b>4</b>	1,000	1,000
Profit and loss account		<u>265,851</u>	<u>262,043</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>266,851</u>	<u>263,043</u>

The directors are 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 directors acknowledge their responsibilities 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 accounts 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 by the directors on 1 October 2007 and are signed on their behalf by

MR M A STEVENS



**ARUN ELECTRONICS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2006**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of financial instruments, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

**Turnover**

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

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion

**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

Leasehold Property - Written off over lease period

Plant and Machinery - 25% on reducing balance

Motor Vehicles - 25% on reducing balance

**Stocks**

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

**Hire purchase agreements**

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis

**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

**Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account

**ARUN ELECTRONICS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 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**

	<b>Tangible Assets £</b>
<b>COST</b>	
At 1 January 2006	82,617
Additions	<u>2,576</u>
<b>At 31 December 2006</b>	<u><b>85,193</b></u>
<b>DEPRECIATION</b>	
At 1 January 2006	59,823
Charge for year	<u>6,342</u>
<b>At 31 December 2006</b>	<u><b>66,165</b></u>
<b>NET BOOK VALUE</b>	
<b>At 31 December 2006</b>	<u><b>19,028</b></u>
At 31 December 2005	<u><b>22,794</b></u>

**ARUN ELECTRONICS LIMITED**  
**NOTES TO THE ABBREVIATED ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2006**

**3. TRANSACTIONS WITH THE DIRECTORS**

During the year the following loan subsisted to a director

Mr M Stevens

Balance outstanding at the start of the year	0
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Balance outstanding at the end of the year	190
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Maximum balance outstanding during the year	190
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**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>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>