

ARQUE LTD
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019

Arque Ltd
Unaudited Financial Statements
For The Year Ended 31 May 2019

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Arque Ltd
Balance Sheet
As at 31 May 2019

Registered number: 05130013

		2019		2018	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	3		95,108		102,229
			<u>95,108</u>		<u>102,229</u>
CURRENT ASSETS					
Stocks	4	185,121		91,391	
Debtors	5	356,921		332,925	
Cash at bank and in hand		<u>169,825</u>		<u>126,843</u>	
		711,867		551,159	
Creditors: Amounts Falling Due Within One Year	6	<u>(634,974)</u>		<u>(518,866)</u>	
NET CURRENT ASSETS (LIABILITIES)			<u>76,893</u>		<u>32,293</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>172,001</u>		<u>134,522</u>
Creditors: Amounts Falling Due After More Than One Year	7		<u>(678)</u>		<u>(8,808)</u>
PROVISIONS FOR LIABILITIES					
Deferred Taxation			<u>(16,114)</u>		<u>(17,239)</u>
NET ASSETS			<u>155,209</u>		<u>108,475</u>
CAPITAL AND RESERVES					
Called up share capital	9		101		30,001
Profit and Loss Account			<u>155,108</u>		<u>78,474</u>
SHAREHOLDERS' FUNDS			<u>155,209</u>		<u>108,475</u>

Arque Ltd
Balance Sheet (continued)
As at 31 May 2019

For the year ending 31 May 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities

- The member has not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

**Mr Bernard
Keogh**

10 October 2019

The notes on pages 3 to 7 form part of these financial statements.

Arque Ltd
Notes to the Financial Statements
For The Year Ended 31 May 2019

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

1.3. Tangible Fixed Assets and Depreciation

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion is measured at cost less accumulated depreciation and any impairment losses. Depreciation is provided by rates calculated to write down the cost of the fixed assets, less their estimated residual value, to nil over their useful lives on the following bases:

Leasehold Improvements	10% straight line
Plant & Machinery	25% reducing balance
Motor Vehicles	25% reducing balance
Fixtures & Fittings	25% straight line

1.4. Leasing and Hire Purchase Contracts

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in the creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.5. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

1.6. Financial Instruments

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at the market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

Arque Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 May 2019

1.7. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are

recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which they can be utilised. Timing differences with the carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented with provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity.

The company has taken advantage of Companies Act 2006 section 44(1) and adopted the deferred tax profit also recognised in other comprehensive income and notes directly in equity, respectively relating to the profit and loss account. The notes which are not included have been hidden but original note numbering has remained the same for those that are present.

Arque Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 May 2019

3. Tangible Assets

	Land & Property				
	Leasehold Improvements	Plant & Machinery	Motor Vehicles	Fixtures & Fittings	Total
	£	£	£	£	£
Cost					
As at 1 June 2018	11,991	3,952	134,904	13,086	163,933
Additions	-	478	10,640	5,347	16,465
Disposals	-	-	-	(123)	(123)
As at 31 May 2019	11,991	4,430	145,544	18,310	180,275
Depreciation					
As at 1 June 2018	496	2,102	49,975	9,131	61,704
Provided during the period	1,199	417	19,527	2,423	23,566
Disposals	-	-	-	(103)	(103)
As at 31 May 2019	1,695	2,519	69,502	11,451	85,167
Net Book Value					
As at 31 May 2019	10,296	1,911	76,042	6,859	95,108
As at 1 June 2018	11,495	1,850	84,929	3,955	102,229

Included above are assets held under finance leases or hire purchase contracts with a net book value as follows:

	2019	2018
	£	£
Motor Vehicles	15,416	19,847
	15,416	19,847

4. Stocks

	2019	2018
	£	£
Stock	600	600
Stock - work in progress	184,521	90,791
	185,121	91,391

Arque Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 May 2019

5. Debtors

	2019	2018
	£	£
Due within one year		
Trade debtors	237,760	246,327
Prepayments and accrued income	9,198	8,646
Other debtors	-	1,000
Retentions receivable	109,963	76,952
	<u>356,921</u>	<u>332,925</u>

6. Creditors: Amounts Falling Due Within One Year

	2019	2018
	£	£
Net obligations under finance lease and hire purchase contracts	8,130	8,130
Trade creditors	335,758	380,833
Corporation tax	37,010	14,084
Other taxes and social security	18,859	5,318
VAT	52,560	38,108
Retentions payable	57,378	38,202
Company credit card	7,580	8,666
Sales ledger credit balances	24,732	-
Accruals and deferred income	92,618	25,480
Director's loan account	349	45
	<u>634,974</u>	<u>518,866</u>

The hire purchase liabilities are secured on the assets to which they relate.

7. Creditors: Amounts Falling Due After More Than One Year

	2019	2018
	£	£
Net obligations under finance lease and hire purchase contracts	678	8,808
	<u>678</u>	<u>8,808</u>

The hire purchase liabilities are secured on the assets to which they relate.

Arque Ltd
Notes to the Financial Statements (continued)
For The Year Ended 31 May 2019

8. Obligations Under Finance Leases and Hire Purchase

	2019	2018
	£	£
The maturity of these amounts is as follows:		
Amounts Payable:		
Within one year	8,130	8,130
Between one and five years	678	8,808
	<u>8,808</u>	<u>16,938</u>
	<u>8,808</u>	<u>16,938</u>

9. Share Capital

	2019	2018
Allotted, Called up and fully paid	101	30,001
	<u>101</u>	<u>30,001</u>

On 21 May 2019 a share capital reduction took place repaying £29,900 Ordinary £1 A shares to their holders at par value.

10. Other Commitments

The total of future minimum lease payments under non-cancellable operating leases are as following:

	2019	2018
	£	£
Between 1 and 5 years	5,037	8,060
	<u>5,037</u>	<u>8,060</u>

11. Related Party Transactions

At the year end, 31 May 2019, the company owed the director £349 (2018: £45) in respect of a loan held with the company. This amount is interest free and repayable on demand.

12. General Information

Arque Ltd is a private company, limited by shares, incorporated in England & Wales, registered number 05130013. The registered office is Arque Marsh Road, Lords Meadow Industrial Estate, Crediton, Devon, EX17 1EU.