REGISTERED NUMBER: 06408022 (England and Wales)

Unaudited Financial Statements for the Year Ended 31 May 2020

for

AAR POWERDRIVES LIMITED

Contents of the Financial Statements
for the Year Ended 31 May 2020

Company Information
for the Year Ended 31 May 2020

DIRECTORS:	D P Tarr Mrs K Y Tarr
SECRETARY:	Mrs K Y Tarr
REGISTERED OFFICE:	Unit 27 Dawley Brook Trading Estate Stallings Lane Kingswinsford West Midlands DY6 7AP
REGISTERED NUMBER:	06408022 (England and Wales)

Balance Sheet
31 May 2020

	Notes	31.5.20 £	31.5.20 £	31.5.19 £	31.5.19 £
FIXED ASSETS					
Tangible assets	4		17,414		19,836
CURRENT ASSETS					
Stocks		38,704		31,426	
Debtors	5	141,755		170,262	
Cash at bank and in hand		22,428		16,078	
		202,887		217,766	
CREDITORS					
Amounts falling due within one year	6	128,027		143,728	
NET CURRENT ASSETS			74,860		74,038
TOTAL ASSETS LESS CURRENT LIABILITIES			92,274		93,874
CREDITORS					
Amounts falling due after more than one year	7		75,766		83,794
NET ASSETS			16,508		10,080
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			16,408		9,980
			16,508		10,080

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2020 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
(b) 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.

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

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 and authorised for issue on 1 December 2020 and were signed on its behalf by:

D P Tarr - Director

1. **STATUTORY INFORMATION**

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

Turnover
Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc	- 25% on reducing balance, 15% on reducing balance and at variable rates 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.

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.

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 5 (2019 - 5) .

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Notes to the Financial Statements - continued
for the Year Ended 31 May 2020

4. **TANGIBLE FIXED ASSETS**

	Plant and machinery	Fixtures and fittings	Motor vehicles	Computer equipment	Totals
	£	£	£	£	£
COST					
At 1 June 2019	51,919	6,870	26,214	17,038	102,041
Additions	-	-	-	448	448
At 31 May 2020	51,919	6,870	26,214	17,486	102,489
DEPRECIATION					
At 1 June 2019	34,729	5,764	24,858	16,854	82,205
Charge for year	2,047	197	339	287	2,870
At 31 May 2020	36,776	5,961	25,197	17,141	85,075
NET BOOK VALUE					
At 31 May 2020	15,143	909	1,017	345	17,414
At 31 May 2019	17,190	1,106	1,356	184	19,836

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

	31.5.20	31.5.19
	£	£
Trade debtors	88,924	119,206
Other debtors	52,831	51,056
	141,755	170,262

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

	31.5.20	31.5.19
	£	£
Hire purchase contracts	-	2,738
Trade creditors	59,424	58,364
Taxation and social security	27,036	25,835
Other creditors	41,567	56,791
	128,027	143,728

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

	31.5.20	31.5.19
	£	£
Bank loans	75,766	83,794

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	67,386	75,768

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8. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31 May 2020 and 31 May 2019:

	31.5.20	31.5.19
	£	£
D P Tarr		
Balance outstanding at start of year	20,481	21,805
Amounts advanced	724	-
Amounts repaid	-	(1,324)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	21,205	20,481
Mrs K Y Tarr		
Balance outstanding at start of year	20,479	21,804
Amounts advanced	725	-
Amounts repaid	-	(1,325)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	21,204	20,479