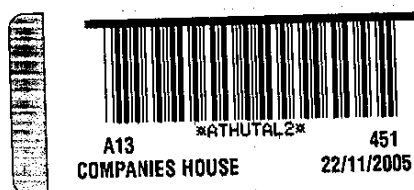


REGISTERED NUMBER: 3633197 (England and Wales)

FALCON PRECISION LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2005



Rothman Pantall & Co
Chartered Accountants
Fryern House
125 Winchester Road
Chandlers Ford
Hampshire
SO53 2DR

FALCON PRECISION LIMITED

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FOR THE YEAR ENDED 31 MAY 2005**

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FALCON PRECISION LIMITED

ABBREVIATED BALANCE SHEET
31 MAY 2005

	Notes	2005 £	2004 £
FIXED ASSETS			
Intangible assets	2	20,800	26,000
Tangible assets	3	238,202	298,069
		<u>259,002</u>	<u>324,069</u>
CURRENT ASSETS			
Stocks		32,930	31,900
Debtors		135,885	110,952
Cash at bank and in hand		10,789	26,609
		<u>179,604</u>	<u>169,461</u>
CREDITORS			
Amounts falling due within one year	4	200,270	229,499
NET CURRENT LIABILITIES		<u>(20,666)</u>	<u>(60,038)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>238,336</u>	<u>264,031</u>
CREDITORS			
Amounts falling due after more than one year	4	(119,412)	(158,928)
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(15,161)</u>	<u>(6,781)</u>
		<u>103,763</u>	<u>98,322</u>
CAPITAL AND RESERVES			
Called up share capital	5	1,000	1,000
Share premium		9,900	9,900
Profit and loss account		92,863	87,422
SHAREHOLDERS' FUNDS		<u>103,763</u>	<u>98,322</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 May 2005.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2005 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 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 Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these abbreviated accounts

FALCON PRECISION LIMITED

ABBREVIATED BALANCE SHEET - continued
31 MAY 2005

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:


.....
Mr D Joyce - Director

Approved by the Board on 25/10/05

FALCON PRECISION LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2005**

1. ACCOUNTING POLICIES

Basis of accounting

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, excluding value added tax.

Goodwill

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as when necessary if circumstances emerge that indicate the carrying value may not be recoverable.

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% straight line

Depreciation

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.

Improvements to property	- Over the period of the lease
Plant and machinery	- 25% on reducing balance
Furniture & equipment	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Fixed assets

All fixed assets are initially recorded at cost.

Stocks

Stocks are 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 where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax.

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.

FALCON PRECISION LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MAY 2005**

1. ACCOUNTING POLICIES - continued

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. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

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.

Rentals paid under operating leases are charged to the profit and loss account as incurred.

2. INTANGIBLE FIXED ASSETS

	Total £
COST	
At 1 June 2004 and 31 May 2005	52,000
AMORTISATION	
At 1 June 2004	26,000
Charge for year	5,200
At 31 May 2005	31,200
NET BOOK VALUE	
At 31 May 2005	20,800
At 31 May 2004	26,000

3. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 June 2004	505,986
Additions	16,837
Disposals	(4,373)
At 31 May 2005	518,450
DEPRECIATION	
At 1 June 2004	207,917
Charge for year	75,851
Eliminated on disposal	(3,520)
At 31 May 2005	280,248
NET BOOK VALUE	
At 31 May 2005	238,202
At 31 May 2004	298,069

FALCON PRECISION LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MAY 2005**

4. CREDITORS

The following secured debts are included within creditors:

	2005	2004
	£	£
Hire purchase contracts	<u>158,928</u>	<u>188,598</u>

5. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2005	2004
			£	£
900	Ordinary A	£1	900	900
100	Ordinary B	£1	100	100
			<u>1,000</u>	<u>1,000</u>