

REGISTERED NUMBER 03633197 (England and Wales)

FALCON PRECISION LIMITED
ABBREVIATED UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2011



Rothmans
Chartered Accountants
Fryern House
125 Winchester Road
Chandlers Ford
Hampshire
SO53 2DR

FALCON PRECISION LIMITED (REGISTERED NUMBER: 03633197)

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FOR THE YEAR ENDED 31 MAY 2011**

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**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
FALCON PRECISION LIMITED**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements, from which the unaudited abbreviated accounts (set out on pages two to six) have been prepared

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Falcon Precision Limited for the year ended 31 May 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook

This report is made solely to the Board of Directors of Falcon Precision Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Falcon Precision Limited and state those matters that we have agreed to state to the Board of Directors of Falcon Precision Limited, as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Falcon Precision Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Falcon Precision Limited. You consider that Falcon Precision Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Falcon Precision Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



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Date 14 December 2011

This page does not form part of the abbreviated accounts

ABBREVIATED BALANCE SHEET
31 MAY 2011

	Notes	2011 £	£	2010 £	£
FIXED ASSETS					
Intangible assets	2		-		-
Tangible assets	3		<u>123,923</u>		<u>117,905</u>
			123,923		117,905
CURRENT ASSETS					
Stocks		14,667		6,751	
Debtors		189,921		142,993	
Cash at bank and in hand		<u>32,790</u>		<u>34,238</u>	
		237,378		183,982	
CREDITORS					
Amounts falling due within one year	4	<u>174,229</u>		<u>140,724</u>	
NET CURRENT ASSETS			<u>63,149</u>		<u>43,258</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			187,072		161,163
CREDITORS					
Amounts falling due after more than one year	4		<u>(45,919)</u>		<u>(15,727)</u>
PROVISIONS FOR LIABILITIES			<u>(12,775)</u>		<u>(9,778)</u>
NET ASSETS			<u>128,378</u>		<u>135,658</u>
CAPITAL AND RESERVES					
Called up share capital	5		1,000		1,000
Share premium			9,900		9,900
Profit and loss account			<u>117,478</u>		<u>124,758</u>
SHAREHOLDERS' FUNDS			<u>128,378</u>		<u>135,658</u>

The notes form part of these abbreviated accounts

ABBREVIATED BALANCE SHEET - continued
31 MAY 2011

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2011

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2011 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 abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on 14 December 2011 and were signed on its behalf by



Mr D A Ogden - Director

The notes form part of these abbreviated accounts

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 MAY 2011

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 April 2008)

Turnover

Turnover represents net amounts invoiced during the year (excluding value added tax) adjusted for accrued and deferred income where applicable

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. The current goodwill is amortised over a period of 10 years.

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

Fixed assets

All fixed assets are initially recorded at cost.

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 - Write off costs over length of lease

Plant and machinery - 25% on reducing balance

Furniture & equipment - 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.

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.

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 on a straight line basis over the period of the lease.

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 MAY 2011**2 INTANGIBLE FIXED ASSETS**

	Total £
COST	
At 1 June 2010 and 31 May 2011	<u>52,000</u>
AMORTISATION	
At 1 June 2010 and 31 May 2011	<u>52,000</u>
NET BOOK VALUE	
At 31 May 2011	<u>-</u>
At 31 May 2010	<u>-</u>

3 TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 June 2010	620,538
Additions	<u>35,205</u>
At 31 May 2011	<u>655,743</u>
DEPRECIATION	
At 1 June 2010	502,633
Charge for year	<u>29,187</u>
At 31 May 2011	<u>531,820</u>
NET BOOK VALUE	
At 31 May 2011	<u>123,923</u>
At 31 May 2010	<u>117,905</u>

4 CREDITORS

Creditors include an amount of £46,132 (2010 - £39,118) for which security has been given

5 CALLED UP SHARE CAPITAL

Allotted, Number	issued and fully paid Class	Nominal value	2011 £	2010 £
900	Ordinary A	£1	900	900
100	Ordinary B	£1	<u>100</u>	<u>100</u>
			<u>1,000</u>	<u>1,000</u>

6 ULTIMATE PARENT COMPANY

As at the year end the ultimate parent company is Falcon Precision Holdings Limited, a company registered in England and Wales