

REGISTERED NUMBER: 03633197 (England and Wales)

FALCON PRECISION LIMITED

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

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

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018**

	Page
Company Information	1
Chartered Accountants' Report	2
Balance Sheet	3
Notes to the Financial Statements	5

FALCON PRECISION LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2018

DIRECTORS:	Mr D A Ogden Mr K Killick
SECRETARY:	Fryem Company Secretarial Services Limited
REGISTERED OFFICE:	Fryem House 125 Winchester Road Chandlers Ford Hampshire SO53 2DR
REGISTERED NUMBER:	03633197 (England and Wales)
ACCOUNTANTS:	Rothman Pantall LLP Chartered Accountants Fryem House 125 Winchester Road Chandlers Ford Hampshire SO53 2DR
BANKERS:	National Westminster Bank Plc 123 Winchester Road Chandlers Ford Hampshire SO53 2UA

**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. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

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 2018 which comprise the Statement of Income and Retained Earnings, 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 within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

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 ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Falcon Precision Limited 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.

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

20 December 2018

BALANCE SHEET
31 MAY 2018

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Tangible assets	4		300,868		246,089
CURRENT ASSETS					
Stocks		28,287		31,429	
Debtors	5	395,300		247,632	
Cash at bank and in hand		<u>126,321</u>		<u>221,081</u>	
		549,908		500,142	
CREDITORS					
Amounts falling due within one year	6	<u>379,006</u>		<u>336,880</u>	
NET CURRENT ASSETS			<u>170,902</u>		<u>163,262</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			471,770		409,351
CREDITORS					
Amounts falling due after more than one year	7		(88,164)		(74,949)
PROVISIONS FOR LIABILITIES			<u>(56,340)</u>		<u>(48,211)</u>
NET ASSETS			<u>327,266</u>		<u>286,191</u>
CAPITAL AND RESERVES					
Called up share capital			1,000		1,000
Share premium			9,900		9,900
Retained earnings			<u>316,366</u>		<u>275,291</u>
SHAREHOLDERS' FUNDS			<u>327,266</u>		<u>286,191</u>

The notes form part of these financial statements

BALANCE SHEET - continued
31 MAY 2018

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2018.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2018 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 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.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors on 20 December 2018 and were signed on its behalf by:

Mr D A Ogden - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2018

1. **STATUTORY INFORMATION**

Falcon Precision Limited is a private company, limited by shares, registered in England and Wales. The company's registered number is 03633197 and the registered office is Fryern House, 125 Winchester Road, Chandlers Ford, Hampshire, SO53 2DR.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

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

The presentation currency of the accounts is the pound (£) sterling.

Significant judgements and estimates

The directors do not consider there to be any significant judgements or estimates.

Turnover

Turnover is derived from metal work and machining services and represents net amounts invoiced during the year (excluding value added tax) adjusted for accrued and deferred income where applicable. Turnover is recognised on despatch of goods.

Fixed assets

All fixed assets are initially recorded at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of fixed assets initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location or condition necessary for it to be capable of operating in a manner intended by management. Depreciation is calculated so as to write off the cost of an asset less its estimated residual value, over the useful economic life of the asset as follows:

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

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the statement of income and retained earnings.

Work in progress

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

Work in progress includes labour and direct expenditure.

Taxation

The charge for taxation is based on profit for the year and takes into account taxation deferred.

Current tax is measured at amounts expected to be paid using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except for the recognition of deferred tax assets which are limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2018

2. ACCOUNTING POLICIES - continued**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

Hire purchase and leasing commitments

Assets obtained under hire purchase 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 income statement 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 income statement 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 the income statement in the period to which they relate.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Grants

Grants relating to expenditure on tangible fixed assets are credited to the income statement at the same rate as the depreciation on the assets to which the grant relates, or in line with the grant conditions. The deferred element of the grant is included in creditors as deferred income.

Grants of a revenue nature are credited to the income statement in the period to which they relate in accordance with the terms of the grant. Any deferred element of the grant is included within creditors as deferred income.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 29 (2017 - 20).

4. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Furniture & equipment £	Motor vehicles £	Totals £
COST					
At 1 June 2017	15,246	784,309	43,600	18,495	861,650
Additions	-	112,873	25,327	-	138,200
At 31 May 2018	<u>15,246</u>	<u>897,182</u>	<u>68,927</u>	<u>18,495</u>	<u>999,850</u>
DEPRECIATION					
At 1 June 2017	15,246	571,996	27,453	866	615,561
Charge for year	-	70,523	8,491	4,407	83,421
At 31 May 2018	<u>15,246</u>	<u>642,519</u>	<u>35,944</u>	<u>5,273</u>	<u>698,982</u>
NET BOOK VALUE					
At 31 May 2018	-	<u>254,663</u>	<u>32,983</u>	<u>13,222</u>	<u>300,868</u>
At 31 May 2017	-	<u>212,313</u>	<u>16,147</u>	<u>17,629</u>	<u>246,089</u>

The net book value of tangible fixed assets includes £ 241,187 (2017 - £ 195,123) in respect of assets held under hire purchase contracts.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2018

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	392,462	236,327
Prepayments and accrued income	2,838	11,305
	<u>395,300</u>	<u>247,632</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Hire purchase contracts (see note 8)	74,555	54,309
Trade creditors	184,125	119,038
Corporation tax	29,760	68,652
Social security and other taxes	13,901	6,357
VAT	59,295	68,126
Other creditors	1,971	498
Accruals and deferred income	15,399	19,900
	<u>379,006</u>	<u>336,880</u>

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

	2018	2017
	£	£
Hire purchase contracts (see note 8)	88,164	71,824
Accruals and deferred income	-	3,125
	<u>88,164</u>	<u>74,949</u>

8. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2018	2017
	£	£
Net obligations repayable:		
Within one year	74,555	54,309
Between one and five years	88,164	71,824
	<u>162,719</u>	<u>126,133</u>

	Non-cancellable operating leases	
	2018	2017
	£	£
Within one year	71,846	71,847
Between one and five years	255,551	265,597
In more than five years	133,900	195,700
	<u>461,297</u>	<u>533,144</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2018

9. SECURED DEBTS

The following secured debts are included within creditors:

	2018	2017
	£	£
Hire purchase contracts	<u>162,719</u>	<u>126,133</u>

10. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.