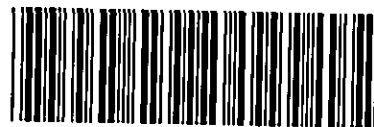


PRECISION PARTS ENGINEERING LIMITED

ABBREVIATED ACCOUNTS

for the year ended 31 December 2008

WEDNESDAY



A0GXF98J

A54

22/04/2009

27

COMPANIES HOUSE

PRECISION PARTS ENGINEERING LIMITED

**INDEPENDENT AUDITORS' REPORT TO PRECISION PARTS ENGINEERING LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts of Precision Parts Engineering Limited for the year ended 31 December 2008 set out on pages 2 to 6, together with the financial statements of the company for the year ended 31 December 2008 prepared under section 226 of the Companies Act 1985.

This report is made solely to the company in accordance with section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2006/3 'The special Auditors' report on abbreviated accounts in the United Kingdom' issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 6 have been properly prepared in accordance with those provisions.

Horwath Clark Whitehill LLP.

HORWATH CLARK WHITEHILL LLP

Chartered Accountants
Registered Auditors

Arkwright House
Parsonage Gardens
Manchester
M3 2HP

31 March 2009

PRECISION PARTS ENGINEERING LIMITED

**ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2008**

	Note	£	2008 £	2007 (Unaudited) £
FIXED ASSETS				
Intangible fixed assets	2		448,367	490,000
Tangible fixed assets	3		512,574	629,269
			<u>960,941</u>	<u>1,119,269</u>
CURRENT ASSETS				
Stocks		30,303		29,650
Debtors		1,123,516		427,604
Cash at bank		166,023		212,623
		<u>1,319,842</u>		<u>669,877</u>
CREDITORS: amounts falling due within one year		<u>(600,526)</u>		<u>(544,445)</u>
NET CURRENT ASSETS			<u>719,316</u>	<u>125,432</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,680,257</u>	<u>1,244,701</u>
CREDITORS: amounts falling due after more than one year			<u>(5,309)</u>	<u>(64,574)</u>
PROVISIONS FOR LIABILITIES				
Deferred tax			<u>(74,703)</u>	<u>(78,826)</u>
NET ASSETS			<u><u>1,600,245</u></u>	<u><u>1,101,301</u></u>
CAPITAL AND RESERVES				
Called up share capital	4		9,500	9,500
Profit and loss account			<u>1,590,745</u>	<u>1,091,801</u>
SHAREHOLDERS' FUNDS			<u><u>1,600,245</u></u>	<u><u>1,101,301</u></u>

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved and authorised for issue by the board and were signed on its behalf on 30 March 2009.



Paul Wardleworth
Director

The notes on pages 3 to 6 form part of these financial statements.

PRECISION PARTS ENGINEERING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

1.2 Cash flow

The financial statements do not include a Cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective January 2007).

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

1.4 Intangible fixed assets and amortisation

Goodwill represents the difference between consideration paid on the acquisition of a business and the fair value of the identifiable assets and liabilities acquired. It is amortised to the profit and loss account over its remaining estimated economic life of 17 years.

This represents a change as follows:

At the date of acquisition of the company by Blue Spark Holdings Limited, 30 April 2008, the directors reviewed the estimated useful life of goodwill. This was revised to 20 years from the date of inception (2004) and the remaining useful life is therefore determined as 17 years. The amortisation charge for 2008 is £41,633. This is 28,367 less than the annual charge would have been under the previous basis of 10 years.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	-	10%	straight line
Motor vehicles	-	20%	straight line
Fixtures & fittings	-	14%	straight line

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase 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 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.

PRECISION PARTS ENGINEERING LIMITED

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 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 items. Materials are valued at purchase cost. Work in progress is valued on a contract by contract basis, taking account of the stage of completion at the balance sheet date. Cost is determined using contract price less average margin. Spares stocks are valued at selling price less average margin.

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.10 Pensions

The company operates defined contribution pension schemes and the pension charge represents the amounts payable by the company to the funds in respect of the year.

PRECISION PARTS ENGINEERING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2008

2. INTANGIBLE FIXED ASSETS

	£
Cost	
At 1 January 2008 (Unaudited) and 31 December 2008	700,000
Amortisation	
At 1 January 2008 (Unaudited)	210,000
Charge for the year	41,633
At 31 December 2008	251,633
Net book value	
At 31 December 2008	448,367
At 31 December 2007 (Unaudited)	490,000

3. TANGIBLE FIXED ASSETS

	£
Cost	
At 1 January 2008 (Unaudited)	844,614
Additions	17,523
Disposals	(68,835)
At 31 December 2008	793,302
Depreciation	
At 1 January 2008 (Unaudited)	215,345
Charge for the year	83,739
On disposals	(18,356)
At 31 December 2008	280,728
Net book value	
At 31 December 2008	512,574
At 31 December 2007 (Unaudited)	629,269

PRECISION PARTS ENGINEERING LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2008

4. SHARE CAPITAL

	2008 £	2007 (Unaudited) £
Authorised		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
9,500 Ordinary shares of £1 each	<u>9,500</u>	<u>9,500</u>

5. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's ultimate parent undertaking and controlling party is Blue Spark Holdings Limited, registered in England.