

TACTICAL SOLUTIONS UK LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2006

Company Registration Number 04103199



Tenon Limited
Sumner House
St Thomas's Road
Chorley
Lancashire
PR7 1HP

TACTICAL SOLUTIONS UK LIMITED
ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2006

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TACTICAL SOLUTIONS UK LIMITED
INDEPENDENT AUDITOR'S REPORT TO TACTICAL SOLUTIONS UK
LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 6, together with the financial statements of Tactical Solutions UK Limited for the year ended 31 December 2006 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 auditor's 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 audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the director and the auditor

The director is 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 auditor's 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 Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

Tenon Audit Limited

Tenon Audit Limited
Registered Auditor
Sumner House
St Thomas's Road
Chorley
Lancashire
PR7 1HP

Date *27 June 2007*

TACTICAL SOLUTIONS UK LIMITED

ABBREVIATED BALANCE SHEET

31 DECEMBER 2006

		2006		2005 (restated)	
	Note	£	£	£	£
Fixed assets	3				
Tangible assets			563,154		383,002
Current assets					
Debtors		976,189		535,927	
Cash at bank and in hand		118,054		-	
		<u>1,094,243</u>		<u>535,927</u>	
Creditors: Amounts falling due within one year	4	<u>(1,205,610)</u>		<u>(932,842)</u>	
Net current liabilities			(111,367)		(396,915)
Total assets less current liabilities			<u>451,787</u>		<u>(13,913)</u>
Creditors: Amounts falling due after more than one year	5		(378,577)		(104,955)
			<u>73,210</u>		<u>(118,868)</u>
Capital and reserves					
Called-up share capital	7		1,000		1,000
Profit and loss account			72,210		(119,868)
Shareholders' funds			<u>73,210</u>		<u>(118,868)</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

These abbreviated accounts were approved and signed by the director on ^(DATE) X 20 06.07


L A Davidson
Director

The notes on pages 3 to 6 form part of these abbreviated accounts

TACTICAL SOLUTIONS UK LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2006

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 January 2005)

Going concern

The company is reliant on the continued support of its lenders in order to continue as a going concern. The directors have confirmed that they do not expect this support to be withdrawn in the foreseeable future. On this basis the director considers it appropriate to prepare the financial statements on a going concern basis.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts receivable during the year, exclusive of Value Added Tax.

Tangible fixed assets

Fixed assets are recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Fixtures & Fittings	- 33 3% Straight line
Motor Vehicles	- 25% Reducing balance

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

TACTICAL SOLUTIONS UK LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2006

1 Accounting policies *(continued)*

Deferred taxation

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 that result in an obligation to pay more or a right to pay less tax in the future have occurred by the balance sheet date with certain limited exceptions

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is calculated on an undiscounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2 Prior year adjustment

The directors have reviewed the prior year accounts and have discovered errors relating to trade debtors, trade creditors, bank and other taxes considered to have a significant impact on the financial statements and cumulatively to be fundamental as described in FRS 3. The prior year comparatives have been restated to correct these errors as follows

- Trade debtors have been reduced by £263,272
- Trade creditors have been reduced by £69,885
- Other taxes and social security have been increased by £28,498
- Bank overdraft has been increased by £66,237

The impact of these errors has been to reduce the profits for the year ended 31 December 2005 by £221,885 and the profit and loss reserve as at 1 January 2005 by £66,237. Net assets at 1 January 2006 have decreased by £288,122

The prior year financial statements included a dividend of £72,000. In the light of the prior year adjustment, the dividend would not be permissible. However, at the time the dividend was declared the errors referred to above were not known about and the declaration was made in good faith. The company's reserves are now in any case positive

TACTICAL SOLUTIONS UK LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31 DECEMBER 2006

3 Fixed assets

	Tangible Assets £
Cost	
At 1 January 2006	632,629
Additions	355,224
Disposals	(51,724)
At 31 December 2006	<u>936,129</u>
Depreciation	
At 1 January 2006	249,627
Charge for year	158,848
On disposals	(35,500)
At 31 December 2006	<u>372,975</u>
Net book value	
At 31 December 2006	<u>563,154</u>
At 31 December 2005	<u>383,002</u>

4 Creditors: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company

	2006	2005 (restated)
	£	£
Bank loans and overdrafts	376,316	544,537
Hire purchase agreements	228,572	171,790
	<u>604,888</u>	<u>716,327</u>

5. Creditors: Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company

	2006	2005
	£	£
Bank loans and overdrafts	214,912	-
Hire purchase agreements	163,665	104,955
	<u>378,577</u>	<u>104,955</u>

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5. Creditors Amounts falling due after more than one year (continued)

Included within creditors falling due after more than one year is an amount of £109,649 (2005 - £Nil) in respect of liabilities which fall due for payment after more than five years from the balance sheet date

Included in creditors due after more than five years is a secured loan provided by HSBC bank of which 75% is guaranteed by the Department of Trade and Industry The remaining is secured through a personal guarantee provided by L A Davidson

The repayment term is over 10 years for a monthly amount of £2,192 98 with an interest charge of 3 5% above the Bank Base Rate

Hire purchase agreements are secured on the assets concerned

6. Transactions with the director

The director's loan account was overdrawn at the year end by £150,252 (2005 Creditor of £258) The maximum amount overdrawn during the period was also £150,252 The movements related to cash withdrawals by L A Davidson

7. Share capital

Authorised share capital.

	2006 £	2005 £
40,000 Ordinary shares of £1 each	40,000	40,000
5,000 A Ordinary shares of £1 each	5,000	5,000
5,000 B Ordinary shares of £1 each	5,000	5,000
	<u>50,000</u>	<u>50,000</u>

Allotted, called up and fully paid:

	2006 No	£	2005 No	£
Ordinary shares of £1 each	800	800	800	800
A Ordinary shares of £1 each	100	100	100	100
B Ordinary shares of £1 each	100	100	100	100
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>
Equity shares				
Ordinary shares of £1 each	800	800	800	800
A Ordinary shares of £1 each	100	100	100	100
B Ordinary shares of £1 each	100	100	100	100
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

8. Control

The company was under the control of its director throughout this and the prior year