

ABBREVIATED UNAUDITED ACCOUNTS FOR THE YEAR ENDED 30 JUNE 2007

FOR

CASTLE GROUP LIMITED

SIGNED COPY FOR
REGISTRAR OF COMPANIES

SATURDAY



A77

ADYZUWOY

26/01/2008

356

COMPANIES HOUSE

CASTLE GROUP LIMITED

CONTENTS OF THE ABBREVIATED ACCOUNTS
for the year ended 30 June 2007

	Page
Company Information	1
Chartered Accountants' Report	2
Abbreviated Balance Sheet	3
Notes to the Abbreviated Accounts	4

CASTLE GROUP LIMITED

COMPANY INFORMATION
for the year ended 30 June 2007

DIRECTORS:

Mr P C Hudson
Mr S A Bull
Mr L J Trowsdale

SECRETARY:

Mr P C Hudson

REGISTERED OFFICE

Salter Road
Scarborough Business Park
Scarborough
North Yorkshire
YO11 3UZ

REGISTERED NUMBER:

02388128 (England and Wales)

ACCOUNTANTS:

Moore Stephens
Chartered Accountants
12 Alma Square
Scarborough
North Yorkshire
YO11 1JU

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
CASTLE GROUP 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 three to six) have been prepared.

In accordance with the engagement letter dated 10 June 2004, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company for the year ended 30 June 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 and the company's Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England & Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the Balance Sheet as at 30 June 2007 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. 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 financial statements.

Moore Stephen

Moore Stephens
Chartered Accountants
12 Alma Square
Scarborough
North Yorkshire
YO11 1JU

11 January 2008

CASTLE GROUP LIMITED

ABBREVIATED BALANCE SHEET

30 June 2007

	Notes	2007 £	2006 £
FIXED ASSETS			
Intangible assets	2	68,253	99,695
Tangible assets	3	79,064	79,306
Investments	4	14,994	14,994
		<u>162,311</u>	<u>193,995</u>
CURRENT ASSETS			
Stocks		290,428	282,669
Debtors		192,905	256,497
Cash at bank and in hand		311	1,409
		<u>483,644</u>	<u>540,575</u>
CREDITORS			
Amounts falling due within one year		<u>547,408</u>	<u>639,376</u>
NET CURRENT LIABILITIES		<u>(63,764)</u>	<u>(98,801)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>98,547</u>	<u>95,194</u>
CREDITORS			
Amounts falling due after more than one year		(259)	(8,722)
PROVISIONS FOR LIABILITIES		<u>(8,915)</u>	<u>(9,394)</u>
NET ASSETS		<u><u>89,373</u></u>	<u><u>77,078</u></u>
CAPITAL AND RESERVES			
Called up share capital	5	18	18
Profit and loss account		<u>89,355</u>	<u>77,060</u>
SHAREHOLDERS' FUNDS		<u><u>89,373</u></u>	<u><u>77,078</u></u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 June 2007

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2007 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

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

The financial statements were approved by the Board of Directors on 20 December 2007 and were signed on its behalf by



Mr S A Bull - Director

The notes form part of these abbreviated accounts

NOTES TO THE ABBREVIATED ACCOUNTS
for the year ended 30 June 2007

1 ACCOUNTING POLICIES

Accounting convention

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)

Exemption from preparing consolidated financial statements

The financial statements contain information about Castle Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 248 of the Companies Act 1985 from the requirements to prepare consolidated financial statements

Turnover

Turnover comprises sales to customers of goods and services net of value added tax

Goodwill

Purchased goodwill is capitalised and amortised over its expected useful economic life which is anticipated to be no longer than 20 years

Research and development

Expenditure on research and development is written off to profit and loss in the year in which it is incurred, with the exception of development expenditure on individual projects where the expenditure is not the subject of grants receivable and where the future recoverability can be foreseen with reasonable assurance. Capitalised development costs are amortised in line with the expected sales from the related project once sales commence

Tangible fixed assets

Depreciation is provided at various rates which are anticipated to amortise the cost over the assets' expected useful lives. Indicative annual rates are -

Plant and machinery - 15% on a reducing balance basis

Fixtures and fittings - 15%-30% on a straight line basis

Motor vehicles - 25% on a reducing balance basis

Hire stock - 10% on a straight line basis

Stocks

Stocks are valued at lower of cost and net realisable value

Deferred tax

Deferred tax is recognised as a liability or asset if the transactions or events that give an obligation to pay more tax in future or a right to pay less tax in future have occurred by the balance sheet date, although deferred tax assets are recognised only when it becomes more likely than not that they will be recoverable

Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities have been translated into sterling at the rate of exchange prevailing at the balance sheet date. Exchange differences are taken into account in arriving at the operating result

Leases

Assets acquired under finance lease agreements, including hire purchase agreements, are capitalised and the corresponding liability is included in creditors. Finance lease interest is charged to the profit and loss account and is calculated using the actuarial method. Operating lease rentals are charged against profits of the period to which they relate

Pension scheme

The company operates a defined contributions pension scheme. One director is accruing benefits under this scheme

CASTLE GROUP LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS - continued
for the year ended 30 June 2007

2 INTANGIBLE FIXED ASSETS

Total
£

COST

At 1 July 2006
and 30 June 2007

123,555

AMORTISATION

At 1 July 2006
Charge for year

23,860
31,442

At 30 June 2007

55,302

NET BOOK VALUE

At 30 June 2007

68,253

At 30 June 2006

99,695

3 TANGIBLE FIXED ASSETS

Total
£

COST

At 1 July 2006
Additions
Own work capitalised
Reclassification/transfer

301,911
8,258
10,348
(1,573)

At 30 June 2007

318,944

DEPRECIATION

At 1 July 2006
Charge for year
Eliminated on disposal

222,606
18,398
(1,124)

At 30 June 2007

239,880

NET BOOK VALUE

At 30 June 2007

79,064

At 30 June 2006

79,305

4 FIXED ASSET INVESTMENTS

Shares in
group
undertakings
£

COST

At 1 July 2006
and 30 June 2007

14,994

NET BOOK VALUE

At 30 June 2007

14,994

At 30 June 2006

14,994

NOTES TO THE ABBREVIATED ACCOUNTS - continued
for the year ended 30 June 2007

4 FIXED ASSET INVESTMENTS - continued

The company's investments at the balance sheet date in the share capital of companies include the following

Castle Associates Limited

Nature of business Dormant

Class of shares	% holding 99 96	2007 £	2006 £
Ordinary			
Aggregate capital and reserves		<u>15,000</u>	<u>15,000</u>

5 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value	2007 £	2006 £
1,000	Ordinary A	£1	1,000	1,000
1,000	Ordinary B	£1	1,000	1,000
			<u>2,000</u>	<u>2,000</u>

Allotted, issued and fully paid Number	Class	Nominal value	2007 £	2006 £
8	Ordinary A	£1	8	8
10	Ordinary B	£1	10	10
			<u>18</u>	<u>18</u>

6 RELATED PARTY DISCLOSURES

The company paid the following expenses during the year to Envirometrics Limited, a company controlled by P R and Mrs P J Bull

Rent	£29,450 (2006 - £29,450)
Consultancy fees	£33,365 (2006 - £35,449)

Envirometrics Limited has given an unlimited guarantee for the company's bank borrowings

Included in creditors falling due within one year are loans from directors of the company for the following amounts

S A Bull	£2,866 (2006 - £1,403)
L J Trowsdale	£111 (2006 - £407)

Included in debtors is a loan to the following director of the company

P C Hudson	£3,449 (2006 - £5,659)
------------	-------------------------

The maximum amount owed to the company during the year was £6,820 (2006 - £15,820)