

Company Registration No. 03798248 (England and Wales)

**CAPCON LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2018**  
**PAGES FOR FILING WITH REGISTRAR**

# **CAPCON LIMITED**

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# CAPCON LIMITED

## BALANCE SHEET

AS AT 31 OCTOBER 2018

|                                                       | Notes | 2018<br>£          | £                | 2017<br>£          | £                |
|-------------------------------------------------------|-------|--------------------|------------------|--------------------|------------------|
| <b>Fixed assets</b>                                   |       |                    |                  |                    |                  |
| Intangible assets                                     | 3     |                    | 610,856          |                    | 610,856          |
| Tangible assets                                       | 4     |                    | 6,434            |                    | 7,015            |
| <b>Current assets</b>                                 |       |                    |                  |                    |                  |
| Debtors                                               | 5     | 745,107            |                  | 811,799            |                  |
| Cash at bank and in hand                              |       | -                  |                  | 13,241             |                  |
|                                                       |       | <u>745,107</u>     |                  | <u>825,040</u>     |                  |
| <b>Creditors: amounts falling due within one year</b> | 6     | <u>(1,037,373)</u> |                  | <u>(1,110,550)</u> |                  |
| <b>Net current liabilities</b>                        |       |                    | <u>(292,266)</u> |                    | <u>(285,510)</u> |
| <b>Total assets less current liabilities</b>          |       |                    | <u>325,024</u>   |                    | <u>332,361</u>   |
| Long term Creditors-shareholders loans                |       |                    | 726,186          |                    | 737,110          |
| Called up share capital                               | 7     | 10,000             |                  | 10,000             |                  |
| Share premium account                                 |       | 990,000            |                  | 990,000            |                  |
| Profit and loss reserves                              |       | <u>(1,401,162)</u> |                  | <u>(1,404,749)</u> |                  |
|                                                       |       |                    | <u>(401,162)</u> |                    | <u>(404,749)</u> |
| <b>Shareholders' funds</b>                            |       |                    | <u>325,024</u>   |                    | <u>332,361</u>   |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 October 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 31 July 2019 and are signed on its behalf by:

.....  
P F Jackson  
Director

Company Registration No. 03798248

# **CAPCON LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 2018**

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### **1 Accounting policies**

#### **Company information**

Capcon Limited is a private company limited by shares incorporated in England and Wales. The registered office is 82 St John Street, London, EC1M 4JN.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Under Companies Act 2006, s454, on a voluntary basis, the directors can amend these financial statements if they subsequently prove to be defective.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Turnover**

Turnover comprises amounts receivable for services provided in the normal course of business, exclusive of VAT and after deduction of trade discounts. Turnover is recognised in line with delivery of service. Turnover is entirely attributable to the Company's principal activities.

#### **1.4 Intangible fixed assets - goodwill**

Goodwill arising on an acquisition of a business is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. Impairment tests on the carrying value of goodwill are undertaken:

- at the end of the first full year following acquisition;
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

#### **1.5 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                                |                   |
|--------------------------------|-------------------|
| Fixtures, fittings & equipment | 25% straight line |
|--------------------------------|-------------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# CAPCON LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

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### 1 Accounting policies

(Continued)

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# CAPCON LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

#### **1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### **1.12 Leases**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their useful lives. The interest element of leasing payments represents a constant proportion of the capital base outstanding and is charged to the profit and loss account over the period of the lease. All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

#### **1.13 Invoice Discounting**

The company discounts its trade debts. The accounting policy is to include trade debt within trade debtors due within one year and record cash advances within creditors due within one year. Discounting fees and interest are charged to the profit and loss account when incurred. Bad debts are borne by the company and are charged to the profit and loss account when incurred.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 44 (2017: 45).

# CAPCON LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

### 3 Intangible fixed assets

|                                        | Goodwill<br>£ |
|----------------------------------------|---------------|
| <b>Cost</b>                            |               |
| At 1 November 2017 and 31 October 2018 | 2,899,269     |
| <b>Amortisation and impairment</b>     |               |
| At 1 November 2017 and 31 October 2018 | 2,288,413     |
| <b>Carrying amount</b>                 |               |
| At 31 October 2018                     | 610,856       |
| At 31 October 2017                     | 610,856       |

### 4 Tangible fixed assets

|                                    | Plant and<br>machinery etc.<br>£ |
|------------------------------------|----------------------------------|
| <b>Cost</b>                        |                                  |
| At 1 November 2017                 | 305,516                          |
| Additions                          | 3,554                            |
| At 31 October 2018                 | 309,070                          |
| <b>Depreciation and impairment</b> |                                  |
| At 1 November 2017                 | 298,501                          |
| Depreciation charged in the year   | 4,135                            |
| At 31 October 2018                 | 302,636                          |
| <b>Carrying amount</b>             |                                  |
| At 31 October 2018                 | 6,434                            |
| At 31 October 2017                 | 7,015                            |

### 5 Debtors

|                                             | 2018<br>£ | 2017<br>£ |
|---------------------------------------------|-----------|-----------|
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 635,246   | 652,298   |
| Other debtors                               | 109,861   | 159,501   |
|                                             | 745,107   | 811,799   |

## CAPCON LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

**6 Creditors: amounts falling due within one year**

|                              | 2018             | 2017             |
|------------------------------|------------------|------------------|
|                              | £                | £                |
| Bank loans and overdrafts    | 137,061          | 148,678          |
| Trade creditors              | 98,631           | 122,148          |
| Taxation and social security | 97,257           | 99,243           |
| Other creditors              | 704,424          | 740,481          |
|                              | <u>1,037,373</u> | <u>1,110,550</u> |

The company has a bank loan of £132,692 (2017: 148,678) which is secured by a floating charge over the assets of group and company.

**7 Called up share capital**

|                                      | 2018          | 2017          |
|--------------------------------------|---------------|---------------|
|                                      | £             | £             |
| <b>Ordinary share capital</b>        |               |               |
| <b>Issued and fully paid</b>         |               |               |
| 1,000,000 ordinary shares of 1p each | <u>10,000</u> | <u>10,000</u> |

**8 Operating lease commitments**

**Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

|  | 2018     | 2017          |
|--|----------|---------------|
|  | £        | £             |
|  | <u>-</u> | <u>51,812</u> |

**9 Control**

At 31 October 2018 the company's ultimate parent company was Capcon Securities Limited which is the parent of both the smallest and largest groups of which the company is a member.

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.