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Registration number 04496025

Capstone Communication Services Limited

Director's report and financial statements

for the year ended 31 July 2005



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COMPANIES HOUSE 31/05/2006

Capstone Communication Services Limited

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Capstone Communication Services Limited

Company information

Directors	Ian Norman Sharda Norman
Company number	04496025
Registered office	53 Athol Square London E14 0NP
Bankers	Lloyds TSB PLC

Capstone Communication Services Limited

**Director's report
for the year ended 31 July 2005**

The director presents this report and the financial statements for the year ended 31 July 2005.

Principal activity

The principal activity of the company was that of alarm and CCTV camera installation.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Class of share	31/07/05	01/08/04
Ian Norman	Ordinary shares	1	1
Sharda Norman	Ordinary shares	1	1

Charitable and political contributions

During the year the company contributed £280 to charities.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on and signed on its behalf by

Secretary



Director

Capstone Communication Services Limited

**Accountants' report on the unaudited financial statements to the director of
Capstone Communication Services Limited**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 July 2005 set out on pages 3 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.

GP

Date: 31st May 2006

Capstone Communication Services Limited

**Profit and loss account
for the year ended 31 July 2005**

		2005	2004
	Notes	£	£
Turnover	2	48,958	77,867
Cost of sales		(18,549)	(14,951)
Gross profit		<u>30,409</u>	<u>62,916</u>
Administrative expenses		(44,987)	(61,914)
Operating (loss)/profit	3	(14,578)	1,002
Other interest receivable and similar income		<u>-</u>	<u>23</u>
(Loss)/profit on ordinary activities before taxation		(14,578)	1,025
Tax on (loss)/profit on ordinary activities		<u>-</u>	<u>-</u>
(Loss)/profit on ordinary activities after taxation		(14,578)	1,025
(Loss)/retained profit for the year		(14,578)	1,025
Retained profit/(loss) brought forward		<u>2,247</u>	<u>(3,273)</u>
Accumulated loss carried forward		<u>(12,331)</u>	<u>(2,248)</u>

The notes on pages 6 to 8 form an integral part of these financial statements.

Capstone Communication Services Limited

**Balance sheet
as at 31 July 2005**

		2005		2004	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	5		6,277		8,237
Current assets					
Debtors	6	-		3,645	
Cash at bank and in hand		270		903	
		<u>270</u>		<u>4,548</u>	
Creditors: amounts falling due within one year	7	<u>(18,876)</u>		<u>(15,031)</u>	
Net current liabilities			<u>(18,606)</u>		<u>(10,483)</u>
Deficiency of assets			<u>(12,329)</u>		<u>(2,246)</u>
Capital and reserves					
Called up share capital	8		2		2
Profit and loss account			<u>(12,331)</u>		<u>(2,248)</u>
Shareholders' funds			<u>(12,329)</u>		<u>(2,246)</u>

The director's statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 6 to 8 form an integral part of these financial statements.

Capstone Communication Services Limited

Balance sheet (continued)

**Director's statements required by Section 249B(4)
for the year ended 31 July 2005**

In approving these financial statements as director of the company I hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 July 2005 and

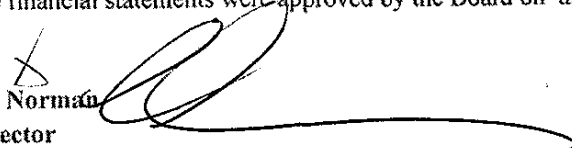
(c) that I acknowledge my responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on and signed on its behalf by


Ian Norman
Director

19/06/06

The notes on pages 6 to 8 form an integral part of these financial statements.

Capstone Communication Services Limited

**Notes to the financial statements
for the year ended 31 July 2005**

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-
Fixtures, fittings and equipment	- 25% straight line
Motor vehicles	- 25% straight line

1.4. Leasing

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

1.5. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director considers that a liability to taxation is unlikely to materialise.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating (loss)/profit

	2005	2004
	£	£
Operating (loss)/profit is stated after charging:		
Depreciation and other amounts written off tangible assets	<u>1,960</u>	<u>2,746</u>

4. Directors' emoluments

	2005	2004
	£	£
Remuneration and other benefits	<u>9,550</u>	<u>9,480</u>

Capstone Communication Services Limited

**Notes to the financial statements
for the year ended 31 July 2005**

..... continued

5. Tangible fixed assets	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 August 2004	1,001	960	12,550	14,511
At 31 July 2005	<u>1,001</u>	<u>960</u>	<u>12,550</u>	<u>14,511</u>
Depreciation				
At 1 August 2004	363	420	5,491	6,274
Charge for the year	60	135	1,765	1,960
At 31 July 2005	<u>423</u>	<u>555</u>	<u>7,256</u>	<u>8,234</u>
Net book values				
At 31 July 2005	<u>578</u>	<u>405</u>	<u>5,294</u>	<u>6,277</u>
At 31 July 2004	<u>638</u>	<u>540</u>	<u>7,059</u>	<u>8,237</u>

6. Debtors	2005	2004
	£	£
Other debtors	<u>-</u>	<u>3,645</u>

7. Creditors: amounts falling due within one year	2005	2004
	£	£
Bank overdraft	264	12,184
Trade creditors	13,356	-
Other taxes and social security costs	578	1,720
Directors' accounts	3,878	327
Accruals and deferred income	800	800
	<u>18,876</u>	<u>15,031</u>

Capstone Communication Services Limited

**Notes to the financial statements
for the year ended 31 July 2005**

..... continued

8.	Share capital	2005	2004
		£	£
	Authorised		
	100 Ordinary shares of £1 each	100	100
	Allotted, called up and fully paid		
	2 Ordinary shares of £1 each	2	2
9.	Financial commitments		

Capstone Communication Services Limited

The following pages do not form part of the statutory accounts.

Capstone Communication Services Limited

Sales classification 1 (type A)		48,958		77,867
		<u>48,958</u>		<u>77,867</u>
Cost of sales				
Materials	18,549		14,951	
		<u>(18,549)</u>		<u>(14,951)</u>
Gross profit	62%	30,409	81%	62,916
Administrative expenses				
Directors' remuneration	9,550		9,480	
Commissions payable	-		6,405	
Rent payable	1,970		1,970	
Insurance	-		29	
Leasing of plant and machinery	-		338	
Printing, postage and stationery	497		(153)	
Advertising	-		1,321	
Telephone	5,384		5,013	
Computer costs	2,963		-	
Motor expenses	9,124		4,569	
Travelling and entertainment	3,208		1,159	
Legal and professional	997		328	
Consultancy fees	5,681		21,171	
Accountancy	800		800	
Bank charges	2,572		1,570	
Credit card charges	-		579	
General expenses	1		713	
Charitable donations - covenanted	280		3,876	
Depreciation on plant and machinery	60		213	
Depreciation on fixtures & equipment	135		180	
Depreciation on motor vehicles	1,765		2,353	
		<u>44,987</u>		<u>61,914</u>
Operating (loss)/profit	30%	(14,578)	1%	1,002
Other income and expenses				
Interest receivable				
Bank deposit interest	-		23	
				<u>23</u>
Net (loss)/profit for the year		<u>(14,578)</u>		<u>1,025</u>