

CAPSOFT UK LTD
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31ST JULY 2003



THE A9 PARTNERSHIP LIMITED
Chartered Accountants & Registered Auditors
22 North West Circus Place
Edinburgh
EH3 6SX

CAPSOFT UK LTD
ABBREVIATED ACCOUNTS
YEAR ENDED 31ST JULY 2003

CONTENTS	PAGE
Independent auditors' report to the company	1
Abbreviated balance sheet	2
Notes to the abbreviated accounts	3

CAPSOFT UK LTD

INDEPENDENT AUDITORS' REPORT TO THE COMPANY

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 31st July 2003 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 audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an 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 and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

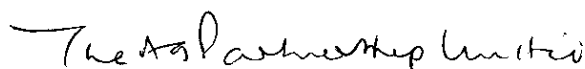
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and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

BASIS OF OPINION

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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

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



THE A9 PARTNERSHIP LIMITED
Chartered Accountants
& Registered Auditors

22 North West Circus Place
Edinburgh
EH3 6SX

26th May 2004

CAPSOFT UK LTD
ABBREVIATED BALANCE SHEET
31ST JULY 2003

	Note	2003 £	£	2002 £	£
FIXED ASSETS	2				
Tangible assets			87,460		102,897
CURRENT ASSETS					
Stocks		50,395		327	
Debtors		197,652		169,117	
Cash at bank and in hand		14,932		1,128	
		<u>262,979</u>		<u>170,572</u>	
CREDITORS: Amounts falling due within one year	3	<u>187,490</u>		<u>245,405</u>	
NET CURRENT ASSETS/(LIABILITIES)			75,489		(74,833)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>162,949</u>		<u>28,064</u>
CREDITORS: Amounts falling due after more than one year	4		<u>7,452</u>		<u>50,300</u>
			<u>155,497</u>		<u>(22,236)</u>
CAPITAL AND RESERVES					
Called-up equity share capital	6		24,011		24,011
Share premium account			115,989		115,989
Profit and loss account			15,497		(162,236)
SHAREHOLDERS' FUNDS/(DEFICIENCY)			<u>155,497</u>		<u>(22,236)</u>

These abbreviated financial statements 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 by the directors on 26th May 2004 and are signed on their behalf by:

MR R SHEPHERD



CAPSOFT UK LTD**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST JULY 2003****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 June 2002).

Turnover

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

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 15% reducing balance
Fixtures & Fittings	- 15% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

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.

Pension costs

The company operates a defined contribution scheme available to employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

CAPSOFT UK LTD

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST JULY 2003

1. ACCOUNTING POLICIES *(continued)*

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1st August 2002 and 31st July 2003	170,646
DEPRECIATION	
At 1st August 2002	67,749
Charge for year	15,437
At 31st July 2003	<u>83,186</u>
NET BOOK VALUE	
At 31st July 2003	<u>87,460</u>
At 31st July 2002	<u>102,897</u>

3. CREDITORS: Amounts falling due within one year

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

	2003 £	2002 £
Bank loans and overdrafts	<u>44,808</u>	<u>75,267</u>

4. 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:

	2003 £	2002 £
Bank loans and overdrafts	<u>7,452</u>	<u>50,000</u>

CAPSOFT UK LTD

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST JULY 2003

5. RELATED PARTY TRANSACTIONS

The company was under the control of Mr R Shepherd throughout the current and previous year. Mr R Shepherd is the chairman and majority shareholder.

At the year end Mr R Shepherd owed the Company £12,072. This amount was fully repaid on the 30 April 2004.

The company at no cost converted 240 B class shares belonging to Mr Russell Shepherd into 240 A class shares.

There were no other related party transactions in the year.

6. SHARE CAPITAL

Authorised share capital:

	2003	2002
	£	£
50,000 Ordinary shares of £1 each	50,000	50,000
50,000 Ordinary B shares shares of £1 each	50,000	50,000
	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	20,240	20,240	20,000	20,000
Ordinary B shares shares of £1 each	<u>3,771</u>	<u>3,771</u>	<u>4,011</u>	<u>4,011</u>
	<u>24,011</u>	<u>24,011</u>	<u>24,011</u>	<u>24,011</u>

7. OPTIONS

The option granted to Uberior Trading Limited was discharged on 22 August 2002.