

CAPSOFT UK LTD
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED
31ST JULY 2006



THE A9 PARTNERSHIP LIMITED
Chartered Accountants & Registered Auditors
Abercorn School
Newton
West Lothian
EH52 6PZ

CAPSOFT UK LTD
ABBREVIATED ACCOUNTS
YEAR ENDED 31ST JULY 2006

CONTENTS	PAGE
Independent auditor's report to the company	1
Independent auditor's report to the shareholders	2
Abbreviated balance sheet	4
Notes to the abbreviated accounts	5

CAPSOFT UK LTD

INDEPENDENT AUDITOR'S REPORT TO CAPSOFT UK LTD

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 4 to 8, together with the financial statements of Capsoft UK Ltd for the year ended 31st July 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 DIRECTORS AND THE AUDITOR

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 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

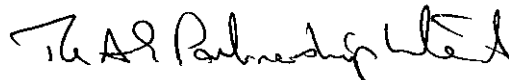
In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with those provisions.

OTHER INFORMATION

On 21/7/07 we reported, as auditor of the company, to the shareholders on the financial statements prepared under Section 226 of the Companies Act 1985 for the year ended 31st July 2006, and the full text of the company audit report is reproduced on pages 2 to 4 of these financial statements.

Abercorn School
Newton
West Lothian
EH52 6PZ

21/7/07



THE A9 PARTNERSHIP LIMITED
Chartered Accountants
& Registered Auditors

CAPSOFT UK LTD

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CAPSOFT UK LTD

YEAR ENDED 31ST JULY 2006

We have audited the financial statements of Capsoft UK Ltd for the year ended 31st July 2006 on pages 5 to 13 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and on the basis of the accounting policies set out on pages 7 to 8

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

CAPSOFT UK LTD

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CAPSOFT UK LTD

YEAR ENDED 31ST JULY 2006

OPINION

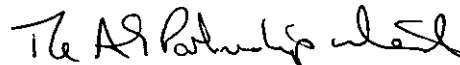
In our opinion

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31st July 2006 and of its profit for the year then ended,

the financial statements have been properly prepared in accordance with the Companies Act 1985, and the information given in the Directors' Report is consistent with the financial statements

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25/5/07.



THE A9 PARTNERSHIP LIMITED
Chartered Accountants
& Registered Auditors

CAPSOFT UK LTD
ABBREVIATED BALANCE SHEET

31ST JULY 2006

	Note	2006 £	2005 £
FIXED ASSETS	2		
Tangible assets		76,039	81,175
CURRENT ASSETS			
Stocks		320	320
Debtors		251,286	115,585
Cash at bank and in hand		230,888	477,517
		482,494	593,422
CREDITORS: Amounts falling due within one year	3	383,210	392,654
NET CURRENT ASSETS		99,284	200,768
TOTAL ASSETS LESS CURRENT LIABILITIES		175,323	281,943
CREDITORS: Amounts falling due after more than one year			61,817
PROVISIONS FOR LIABILITIES AND CHARGES		10,157	10,920
		<u>165,166</u>	<u>209,206</u>
CAPITAL AND RESERVES			
Called up equity share capital	5	20,710	22,123
Share premium account		115,989	115,989
Profit and loss account		28,467	71,094
SHAREHOLDERS' FUNDS		<u>165,166</u>	<u>209,206</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 by the directors on their behalf by

and are signed on

MR R SHEPHERD
 Director



23RD MAY 2007

CAPSOFT UK LTD**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST JULY 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)

Changes in accounting policies

In preparing the financial statements for the current year, the company has adopted the following Financial Reporting Standards for Smaller Entities (effective January 2005)

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year less adjustment for deferred maintenance contracts, exclusive of Value Added Tax

In respect of long term contracts and contracts for on going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long term contracts and contracts for on going services is recognised by reference to the stage of completion

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

CAPSOFT UK LTD**NOTES TO THE ABBREVIATED ACCOUNTS****YEAR ENDED 31ST JULY 2006****1. ACCOUNTING POLICIES** *(continued)***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.

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

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.

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.

CAPSOFT UK LTD
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 31ST JULY 2006

2 FIXED ASSETS

	Tangible Assets £
COST	
At 1st August 2005	194,986
Additions	8,284
At 31st July 2006	<u>203,270</u>
DEPRECIATION	
At 1st August 2005	113,811
Charge for year	13,420
At 31st July 2006	<u>127,231</u>
NET BOOK VALUE	
At 31st July 2006	<u>76,039</u>
At 31st July 2005	<u>81,175</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

	2006 £	2005 £
Bank loans and overdrafts	<u>10,834</u>	<u>34,817</u>

4. 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 Russell Shepherd had an overdrawn director's loan account of £57,140. There is no interest charged on the loan and the loan was repaid in December 2006.

CAPSOFT UK LTD

NOTES TO THE ABBREVIATED ACCOUNTS

YEAR ENDED 31ST JULY 2006

5. SHARE CAPITAL

Authorised share capital:

	2006	2005
	£	£
50,000 Ordinary shares of £1 each	50,000	50,000
50,000 Ordinary B shares of £1 each	50,000	50,000
	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	20,240	20,240	20,240	20,240
Ordinary B shares of £1 each	470	470	1,883	1,883
	<u>20,710</u>	<u>20,710</u>	<u>22,123</u>	<u>22,123</u>

During the year 1413 Ordinary B Shares were bought back by the company for the consideration of £73,587 Immediately on acquisition all shares acquired were cancelled