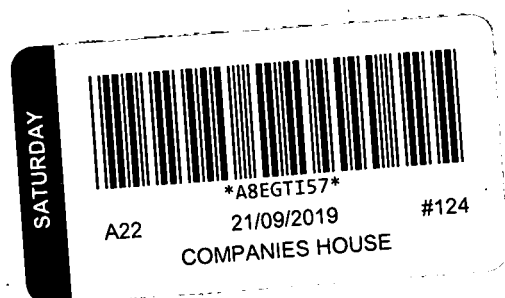


CAPSTONE PROPERTIES LIMITED

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



**BALANCE SHEET
AS AT 31 DECEMBER 2018**

	Note	2018 £	2017 £
Fixed assets			
Investment property	5	-	830,000
		<u>-</u>	<u>830,000</u>
Current assets			
Debtors: amounts falling due within one year	6	334,335	33,885
		<u>334,335</u>	<u>33,885</u>
Creditors: amounts falling due within one year	7	(119,755)	(190,909)
		<u>-</u>	<u>-</u>
Net current assets/(liabilities)		214,580	(157,024)
		<u>214,580</u>	<u>672,976</u>
Total assets less current liabilities		214,580	672,976
Creditors: amounts falling due after more than one year	8	-	(579,243)
Provisions for liabilities			
Deferred tax		-	(16,205)
		<u>-</u>	<u>(16,205)</u>
Net assets		214,580	77,528
		<u><u>214,580</u></u>	<u><u>77,528</u></u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		214,578	77,526
		<u>214,580</u>	<u>77,528</u>
Shareholder's funds		214,580	77,528
		<u><u>214,580</u></u>	<u><u>77,528</u></u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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 financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

CAPSTONE PROPERTIES LIMITED
REGISTERED NUMBER:09626219

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2018

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

Mr L Mohamed
Director

The notes on pages 3 to 8 form part of these financial statements.

18/9/2019

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. General information

Capstone Properties Limited is a private limited company incorporated in England and Wales within the United Kingdom. The address of the registered office is given in the company's information page of these financial statements. The principal activity of the company during the period was that of property investment.

The Company's functional and presentational currency is GBP and these financial statements are rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Turnover represents the fair value of the rent received or receivable measured on an accruals basis and in accordance with the substance of the relevant tenancy agreements.

2.3 Investment properties

Investment properties are carried at fair value determined annually by the directors' and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.6 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.7 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.9 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2017 - 2).

4. Taxation

	2018 £	2017 £
Total current tax	-	-
Deferred tax		
Transfer of investment properties	(16,205)	-
Total deferred tax	(16,205)	-
Taxation on (loss)/profit on ordinary activities	(16,205)	-

Factors affecting tax charge for the year/period

The tax assessed for the year/period is the same as (2017 - the same as) the standard rate of corporation tax in the UK of 19% (2017 - 19%) as set out below:

	2018 £	2017 £
Profit on ordinary activities before tax	120,847	10,155
Effects of:		
Transfer of investment properties	(16,205)	-
Total tax charge for the year/period	(16,205)	-

There is no corporation tax charge for the year due to a loss made in the year.

CAPSTONE PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

5. Investment properties

	Freehold investment properties £
At 1 January 2018	830,000
Disposals	(970,000)
Surplus on revaluation	140,000
At 31 December 2018	-

The properties were transferred to Altair Properties Limited during the year.

6. Debtors

	2018 £	2017 £
Other debtors	334,335	33,885
	334,335	33,885

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Other creditors	117,865	189,019
Accruals and deferred income	1,890	1,890
	119,755	190,909

CAPSTONE PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Bank loans	-	579,243
	<u>-</u>	<u>579,243</u>
	<u>-</u>	<u>579,243</u>

Secured loans

Included within creditors falling due after more than one year is an amount of £nil (2017: £579,243) in respect of liabilities which fall due for payment after more than five years from the balance sheet date. The liability is secured by a charge over the properties.

9. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
Amounts falling due after more than 5 years		
Bank loans	-	579,243
	<u>-</u>	<u>579,243</u>
	<u>-</u>	<u>579,243</u>
	<u>-</u>	<u>579,243</u>

10. Deferred taxation

	2018 £
At beginning of year	(16,205)
Charged to profit or loss	16,205
At end of year	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

10. Deferred taxation (continued)

The deferred taxation balance is made up as follows:

	2018 £	2017 £
Revaluation of investment properties	-	(16,205)
	<u>-</u>	<u>(16,205)</u>

11. Related party transactions

The company has taken the exemption available in FRS102 1A.35 and not disclosed balances and transactions entered into between two or more members of the group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

12. Controlling party

The ultimate parent undertaking is LMSL Holdings Limited.

The ultimate controlling party is Mr L Mohamed and Mrs S Lahrie.