

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

STANDARD CAPITAL CORP
Form 10KSB
October 25, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-KSB

(x) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES ACT OF 1934

For the fiscal year ended August 31, 2005

() TRANSACTION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transaction period from to

Commission File number 0-25707

STANDARD CAPITAL CORPORATION

(Exact name of Company as specified in charter)

Delaware

91-1949078

State or other jurisdiction of incorporation or organization

(I.R.S. Employee I.D. No.)

2429 - 128th Street
Surrey, British Columbia, Canada

V4A 3W2

(Address of principal executive offices)

(Zip Code)

Issuer's telephone number

1-604-538-4898

Securities registered pursuant to section 12 (b) of the Act:

Title of each share
None

Name of each exchange on which registered
None

Securities registered pursuant to Section 12 (g) of the Act:

None

(Title of Class)

Check whether the Issuer (1) filed all reports required to be filed by section 13 or 15 (d) of the Exchange Act during the past 12 months (or for a shorter period that Standard was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

(1) Yes [X] No [] (2) Yes [X] No []

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B is not contained in this form, and no disclosure will be

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

contained, to the best of Standard's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. []

State issuer's revenues for its most recent fiscal year: \$ -0-

State the aggregate market value of the voting stock held by nonaffiliates of Standard. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specific date within the past 60 days.

As at August 31, 2005, the aggregate market value of the voting stock held by nonaffiliates is undeterminable and is considered to be 0.

-1-

(ISSUER INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE LAST FIVE YEARS)

Not applicable

(APPLICABLE ONLY TO CORPORATE COMPANYS)

As of August 31, 2005, Standard has 1,295,000 shares of common stock issued and outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Exhibits incorporated by reference are referred under Part IV.

-2-

TABLE OF CONTENTS

PART 1 -----	Page -----
ITEM 1. DESCRIPTION OF BUSINESS	4
ITEM 2. .DESCRIPTION OF PROPERTY	11
ITEM 3. . LEGAL PROCEEDINGS	14
ITEM 4 SUBMISSION OF MATTERS TO VOTE OFSECURITIES HOLDERS	14
PART II -----	
ITEM 5 MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS	14
ITEM 6. MANAGEMENT'S DISCUSSION ANDANALYSIS OR PLAN OF OPERATION	15
ITEM 7. .FINANCIAL STATEMENTS	18
ITEM 8 CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE	18
ITEM 8A . .CONTROLS AND PROCEDURES	18
PART III -----	
ITEM 9 DIRECTORS, EXECUTIVE OFFICERS,	

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

PROMOTERS, AND CONTROL PERSONS,
COMPLIANCE WITH SECTION 16 (a) OF THE
. EXCHANGE ACT 19

ITEM 10.. .EXECUTIVE COMPENSATION 22

ITEM 11 SECURITY OWNERSHIP OF CERTAIN
BENEFICIAL OWNERS AND MANAGEMENT
. AND RELATED STOCKHOLDERS MATTERS 24

ITEM 12 CERTAIN RELATIONSHIPS AND RELATED
. TRANSACTIONS 25

PART IV

ITEM 13.. EXHIBITS AND REPORTS ON FORM 8-K 27

ITEM 14 . PRINCIPAL ACCOUNTANTS FEES AND SERVICES 28

SIGNATURES. 30

-3-

PART 1

ITEM 1. DESCRIPTION OF BUSINESS

HISTORY AND ORGANIZATION

Standard was incorporated on September 24, 1998 and has no subsidiaries and no affiliated companies. It has not been in bankruptcy, receivership or similar proceedings since its inception. Nor has it been involved in any material reclassification, merger, consolidation or purchase or sale of any significant assets not in the ordinary course of business. Standard's executive offices are located at 2429 - 128th Street, Surrey, British Columbia, Canada, V4A 3W2 (Tel: 604-538-4898).

Standard is engaged in the exploration of a mineral claim known as the "Standard". (see Part 1, "Exploration and Development of the Standard Claim"). Standard is referred to as being in the "pre-exploration" stage by its auditors. This term is generally used in Financial Accounting Standards to describe a company seeking to develop its ideas and products. Standard is not in the development stage with regards to any mineral claim. No ore reserve has been discovered and no substantial exploration has been done on its mineral claim. Standard is purely an exploration company. There is no assurance that any ore reserve will ever be found and that Standard will have sufficient funds to undertake the exploration work required to identify an ore reserve.

Management anticipates that Standard's shares will be qualified on the system of the National Association of Securities Dealers, Inc. ("NASD") known as the OTC Bulletin Board (the "OTCBB"). At the present time, Standard has made no application to the OTCBB and there is distinct possibility its shares will never be quoted on the OTCBB.

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

Standard owns the exclusive rights to all minerals on the Standard claim except for coal which is under a separate license. There are virtually limited possibilities that there is any coal on the Standard claim. The claim is in good standing until February 24, 2006. The actual land is owned by the Crown (the Province of British Columbia). If Standard does not perform exploration work or pay cash-in-lieu in the amount of \$3,100 on or before February 24, 2006 the rights to the mineral claim will expire and the ground can be staked by someone else.

Standard has no revenue to date from the exploration of the Standard claim, and its ability to effect its plans for the future will depend on the availability of financing. Such financing will be required to explore the Standard claim to a stage where a decision can be made by management as to whether an ore reserve exists and can be successfully brought into production. Standard anticipates obtaining such funds from its directors and officers, financial institutions or by way of the sale of its capital stock in the future (see Part 1, Item 2 - "Plan of Operations"), but there can be no assurance that Standard will be successful in obtaining additional capital for exploration activities from the sale of its capital stock or in otherwise raising substantial capital.

Standard is responsible for filing various forms with the United States Securities and Exchange Commission (the "SEC") such as Form 10-KSB and Form 10-QSB but was deficient in these filings due to a lack of money. The filings have now been brought up to date. The directors have decided on November 18, 2005 for the next annual meeting of shareholders.

The shareholders may read and copy any material filed by Standard with the SEC at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, DC, 20549. The shareholders may obtain information on the operations of the Public

-4-

Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information which Standard has filed electronically with the SEC by accessing the website using the following address: <http://www.sec.gov>. Standard has no

website at this time.

PLANNED BUSINESS

The following discussion should be read in conjunction with the information contained in the financial statements of Standard and the notes, which form an integral part of the financial statements, which are attached hereto.

The financial statements mentioned above have been prepared in conformity with accounting principles generally accepted in the United States of America and are stated in United States dollars.

Standard presently has minimal day-to-day operations; consisting mainly of maintaining the Standard claim in good standing and preparing the reports filed with the SEC as required.

RISK FACTORS

Our shareholders and any future investors must be aware of the following risk factors prior to investing in Standard's common stock. It must be emphasized

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

that Standard, if any of these risks become fact, may have to cease operations and our shareholders and any future investors could lose part or all of their investment.

RISKS ASSOCIATED WITH OUR COMMON STOCK

1. Penny stock rules may make buying or selling of our shares difficult.

Eventual trading in our shares will, in all likelihood, be subject to the "Penny Stock" rules. The SEC has adopted regulations that generally define a penny stock to be any equity security that has a market price of less than \$5.00 per share, subject to certain exceptions. These rules require that any broker-dealer who recommends our shares to persons other than prior customers and accredited investors, must prior to the sale, make a special written suitability determination for the purchaser and receive the purchaser's written agreement to execute the transaction. Unless an exception is available, the regulations require the delivery, prior to any transaction involving a penny stock, of a disclosure explaining the penny stock market and the risks associated with trading in the penny stock market. In addition, broker-dealers must disclose commissions payable to both the broker-dealer and the registered representative and current quotations for the securities they offer. The additional burdens imposed upon broker-dealers by such requirements may discourage broker-dealers from effecting transactions in our shares, which could severely limit their market price and liquidity of our shares. Broker-dealers who sell penny stocks to certain types of investors are required to comply with the Commission's regulations concerning the transfer of penny stock. These regulations require broker-dealers to:

- Make a suitability determination prior to selling a penny stock to the purchaser;
- Receive the purchaser's written consent to the transaction; and
- Provide certain written disclosures to the purchaser.

From our standpoint, it might be difficult for us to induce new investors to purchase shares since they might not want to be involved in a penny stock company. Future investors must be aware that our shares will fall into the classification of a penny stock and therefore be subject to the rules mentioned above and the various limitations associated with these rules.

-5-

2. We may, in the future, conduct offerings of our common stock in which case all shareholdings will be diluted.

In the future, we may conduct offerings of shares to finance our exploration activities on the Standard claim or to finance subsequent exploration projects that we decide to undertake. If we decide to raise money through offerings in the future all shareholdings will be diluted.

3. There is no public trading market for our common shares and our shareholders may not be able to sell his or her shares at any time and on terms and conditions he or she considers reasonable.

There is currently no public trading market for our common stock and therefore, there is no central place, like a stock exchange or electronic trading system, to resell one's shares. If one of our shareholders does want to resell his or her shares, they will have to locate a buyer and negotiate their own sale. Even if our shareholder is able to find a willing buyer, there can be no assurance he

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

or she will be able to sell their shares at or above the price at which these shares were purchased.

4. If we are successful in obtaining a market for our shares certain internal and external forces will affect the value of our trading shares.

The stock market has experienced extreme volatility in recent years and may continue to do so in the future. We cannot be sure an active public market for our shares will develop or if an active market should develop that it would continue. The price for our shares will be determined in the marketplace and may be influenced by many factors, including both internal and external forces as follows:

- variations in our financial results compared to companies similar to ours; especially in the exploration of the Standard claim compared to other exploration properties in North America;
- changes in earnings estimates, if any, by industry research analysts for our Company or for similar companies in the same industry;
- future investors' or other market participants' perceptions of our Company as a current or future investment; and
- general or regional economic conditions normally have a wide impact on the price of shares trading on the stock market and our Company's shares will be affected by changes in such conditions.

The problem we encounter with a volatile stock market, which we have no control over, is that we might not require funds when the market price of our shares are high but when the price is lower we might require funds to maintain the Company and explore the Standard claim. This would result in having to issue additional shares during lower prices; resulting in a greater dilution effect on our shareholders.

5. We may not be able to maintain a quotation of our common stock on the OTCBB due to not filing the required information as it is due, which would make it more difficult for an investor to sell our shares.

Even if our Company is accepted for a quotation on the OTCBB, we cannot guarantee that it will always be available for quotation. The OTCBB is not an issuer listing service, market or exchange. Although the OTCBB does not have any listing requirements per se, to be eligible for quotation on the OTCBB, issuers must remain current in their filings with the SEC. Market makers will not be permitted to begin quotation of a security whose issuer does not meet this filing requirement. Securities already quoted on the OTCBB that become delinquent in their required filings will be removed following a 30 or 60 day

-6-

grace period if they do not make their required filing during that time. If our shares were not quoted on the OTCBB, trading in our shares would be conducted, if at all, in the over-the-counter market. This would make it more difficult for stockholders to dispose of their common stock and more difficult to obtain accurate quotations for our shares. This could have an adverse effect on the price of the common stock.

6. We are not planning to declare a dividend in either cash or shares in the near future.

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

We are not planning to declare a dividend in either cash or shares in the near future since our policy will be to retain any earnings received for the future exploration of the Standard or any other mineral claims obtained by us. Dividends are only declared by your Director when he feels that surplus funds can be distributed to the shareholders without encroaching upon working capital of our Company.

7. We want to advise our shareholders and future investors that the purchase of shares in our Company involves a high degree of risk.

An investment in the shares of our Company is highly speculative and involves a high degree of risk. For example, the Company is a start-up situation and the failure rate for most start-up companies is high. Any person considering an investment in our shares should be fully aware that they could lose their entire investment.

RISK FACTORS ASSOCIATED WITH STANDARD

1. Our auditors have indicated, in their opinion report, a concern regarding the going concern status of our Company.

The auditors have expressed a concern regarding whether our Company will continue as a going concern if it does not receive adequate financing to meet its obligations. The auditors are indicating there might be substantial doubt regarding our Company's continuation as an operating concern over the next twelve months. If our director is unwilling to advance us some funds to maintain our Company in good standing, there is the possibility that we might cease to be an operating company. As a shareholder of our Company you should read the auditors' report and Note 5 to the audited financial statements included in this Form 10-KSB.

2. We lack an operating history and have accumulated losses, which are expected to continue into the future.

Since inception, we have not realized any revenue to date and have no operating history upon which an evaluation of our future success or failure can be made. The accumulated losses since February 24, 1998 are \$ 105,389. Our ability to achieve and maintain profitability and positive cash flow is dependent upon:

- Our ability to successfully explore the Standard claim;
- Our ability to generate future revenues from a viable ore reserve on the Standard claim; and
- Our ability to reduce our exploration costs in order to increase our profit margins.

As in most mineral claims, the chances of success of identifying and developing an ore reserve are extremely remote. The majority of mining companies never find an ore reserve and therefore are never profitable.

3. Presently we have only four employees and will require additional employees during the exploration of the Standard claim.

We currently only have three employees, the President, E. Del Thachuk, Chief Financial Officer and Chief Accounting Officer, Gordon Brooke and Secretary Treasurer, Maryanne Thachuk. There is a substantial risk we may not have the

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

funds necessary to hire additional employees that would be needed in our future exploration program. We may not be able to maintain the Standard claim in good standing with the Ministry of Energy and Mines for the Province of British Columbia if we do not have individuals prepared to work during the exploration stage.

4. Our mineral claim is considered "grass roots" because it has not had adequate exploration work performed on it to identify an ore reserve.

Our mineral claim is considered a "grass roots" claim having no known ore reserves associated with it. In addition, there has, over the years, not been enough exploration work on the claim to determine the extent, if any, of any mineralization. Therefore, there is a good chance our claim might prove to be barren; having no commercial viable mineralization associated with it.

5. We can spend funds on exploration with no assurance we will prove the Standard claim has an ore body associated with it.

No matter how many dollars are spent in the future on the Standard claim, there is no guarantee that such expenditures will result in it being a property of merit; having a proven commercially viable ore reserve on it. We might spend hundreds of thousands of dollars and prove nothing. As more money is required for exploration, the present and future investors will have their share positions diluted without realizing any future benefits from the Standard claim.

6. We may not be able to raise money for exploration when needed due the prevailing price of gold which is beyond our control.

Even with gold prices having increased over the past year, there is reluctance in the investment community to consider speculative ventures such as exploration companies. With this reluctance, we might find it difficult to raise any money and therefore inhibit any future exploration on the Standard claim. When gold prices are lower, we will have a difficult time to attract money even if we have started to identify gold showings on the Standard claim. The market price of gold is beyond our control and will greatly affect our raising of money.

7. Our Company is a one-property company, which does not allow for exploration of another mineral claim in the event no ore reserve is discovered on the Standard claim.

Our only mineral claim is the Standard claim, which has no known ore reserves on it. Being a one claim company means that if the Standard claim does not prove to have any viable mineral reserves associated with it, there is no other claim which we can immediately explore. Most investors would want to have an investment in a company that has some diversification in its mineral properties to allow for continual operations.

8. Our mineral property, when explored, may not be of economic quality to warrant a decision to go into production.

We might discover an ore reserve which is either too small or the ounces per ton makes it uneconomical to develop. Such a mineral deposit would not enhance the value of the Standard claim and have resulted in money having been spent, which would have proven nothing. No production decision can be made if this is the case. Minerals are only economic to us if they can be sold above the cost of mining them; otherwise, the Standard claim has little or no value.

9. We will have to compete with both large and small mining companies for such things as money, properties of merit, workers and supplies.

In both the United States and Canada, there are many large and small mining

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

companies each trying to explore and, hopefully, eventually developing their mineral properties into a producing mine. We are not in direct conflict with

-8-

the larger mining companies in North America such as Newmont Mining Corp., Inco Limited, Barrick Gold Corp. and Teck Cominco Limited, to name a few. These larger companies have the available money to explore their properties and the professional personnel to assist in the exploration process. Unless a major mineral reserve is discovered on the Standard claim, the larger mining companies would have no interest in either developing the claim themselves or joint venturing with us. The competition to us would be from the smaller exploration companies who are competing for money to explore their mineral claims and in hiring professional staff to assist them. There is only a limited amount of money available for exploration as well as professional personnel during the exploration season. We might not be able to attract either the money or professional personnel due to the other smaller exploration companies having more money and better known mineral properties.

10. Weather interruptions in the Province of British Columbia may affect and delay the proposed exploration operations.

The weather in the Province of British Columbia is always uncertain since the annual rainfall, especially in the Bralorne area, can be many inches in the fall and spring months. The winters are marked with below zero temperatures and accumulated snow covers of several feet. The constant rain, during the spring and fall months, will lessen the chances of our exploration crew performing any meaningful work on the Standard claim due to the possibilities of injuries from slippery rock surfaces and the inconvenience of setting up equipment that becomes immediately wet. During the drier summer months, the Ministry of Forestry for the Province of British Columbia might impose bans on exploration to avoid the possibilities of forest fires. With these factors in mind, our exploration season could be reduced substantially and we might not be able to obtain the results we want during our exploration program.

11. The terrain surrounding the Standard claim is rugged and is not conducive to exploration activities.

The terrain surrounding the Standard claim is mountainous and extremely rugged with steep ridges and deep valleys. The exploration crew will find it difficult to explore the entire Standard claim without the use occasionally of a helicopter. Access to the claim during the winter months is virtually impossible due to the heavy snow conditions. Even with snowmobiles, the exploration crew would find it difficult to reach our claim and return to Gold Bridge within one day. It is not an option during the winter to use tent facilities on our claim due to the possibility of snow slides. The terrain has a definite effect on the exploration activities on the Standard claim.

12. We will have to address the environmental concerns in the Bralorne area and adhere to the various Acts legislated to protect the environment.

During the exploration stage, there are few problems with environmental issues in the Province of British Columbia if the exploration work involves mapping, establishment of a grid, soil and rock sampling and some minor drilling. If the exploration program involves work near an existing stream or removal of a substantial amount of overburden and foliage, then permission for the work must be obtained from one of the various Ministries involved in that area of environmental concern. If a production decision is ever made, we will have to

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

adhere to various Acts established by the Provincial Government. Under these Acts the main concerns are wildlife, including fish in streams, and vegetation. The Government does not want exploration activities to cause excessive hardship on the environment and to disfigure our claim for decades to come. It is important to protect wildlife since the area in which our claim is situated has been their natural habitat for centuries. The cost of adhering to these Acts might be too expensive for us and exploration activities might have to be cancelled or delayed until adequate money is available to us to adhere to the requirements of the Acts. At the present time, we have no indication as to what the dollar amount of adherence would be.

-9-

13. We are a small Company without much money to devote to a full exploration program on our mineral claim.

The small size of our Company and the present lack of money means a limited exploration program on our claim. Unless adequate money is raised, we will be unable to devote the time necessary to fully explore our claim. With only a limited budget for exploration activities, we will not have many employees to perform the exploration activities on our claim. By limiting our operations, it will take longer to explore the Standard claim. Our shareholders should be aware that it might take a number of years to realize any exploration results from our claim due to the present lack of exploration money.

14. We cannot guarantee the title of our claim since there may be unregistered claims that we are unaware of at this time.

We cannot guarantee absolute title to the Standard claim due to such factors as prior unregistered transactions, native land claims or undetected defects in title. We have taken all the necessary precautions to eliminate any of these elements as far as are reasonably possible. Nevertheless, the future, and especially if and when a production decision is made on the Standard claim, there may be claims which presently we are completely unaware of. We have no way of insuring against such claims and cannot estimate at the present time if there are any elements out there which will effect the title to the minerals on our claim. If there are, this could result in lengthy and costly legal actions, which at the present time we do not have the funds to carry on.

15. At the present time, we will have difficulty in attracting mining personnel who would like to work for a well-funded company having an assortment of mineral properties.

Being a small exploration company with only the Standard claim, we might not be able to attract mining personnel to carry on our exploration activities when needed. Many geologists and workers are drawn to companies which are better funded than us and have several properties which can be worked on at any given time. Once an exploration program is completed on one property the personnel are transferred to another property to commence work on it. This basically guarantees a continual stream of work for exploration personnel. We, at this time, cannot offer workers this form of continual work. To offset this, we might have to hire lesser knowledgeable workers who are prepared to work for several weeks and then become unemployed. Without quality mining personnel, there is no assurance we will be able to obtain the exploration information we require to make future decisions. The quality of our workers should be of concern to our shareholders since they would want to know that there is a possibility of obtaining the best results possible from qualified personnel.

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

16. We do not carry any insurance policy to protect workers during the exploration stage other than as required by legislation.

Injury to personnel is enhanced due to the effects of weather and the terrain. We have no insurance to cover such hazards to workers on our claim other than Workers' Compensation which is required to be contributed by us for any workers working on our claim. Basically this insurance covers only wages while off work and does not provide for any long-term benefits. We are not prepared to pay the premiums required to obtain accident insurance for the short duration of our exploration program. By not having accident and liability insurance we realize we are subject to lawsuits which, if successful, would impair the working capital of our Company and might render us insolvent.

-10-

17. Our Directors do not have experience in hard rock mining and none of the officers are professional geologists.

Our President, Del Thachuk, has mining experience over the past 30 years; mainly in the placer mining through the private ownership of a property in Atlin, British Columbia. In addition, he was the President of Red Fox Minerals Ltd., a company previously listed on the Vancouver Stock Exchange, Canada, ten years ago. His experience in hard rock mining is limited. He does not have any professional training as a mining person and has gained any knowledge he has from a hands on approach to exploration. Gordon Brooke and Maryanne Thachuk have no mining experience and have never been involved in the exploration of a mineral property. To explore our claim, we will have to rely upon mining consultants; an expensive way to explore with no guarantees of favorable results.

18. Our President has interests in another company, which cause him to devote time and effort to their activities resulting in a conflict of interest.

Del Thachuk is also a director and officer of Info-Pro Marketing Inc. ("Info-Pro"), a Nevada incorporated company, which will eventually seek a listing on the OTCBB. Even though Info-Pro is involved in marketing certain books on the Internet under the title of "The Basics of Business Success", Del has a conflict of interest relating to the number of hours he can spend on our Company and Info-Pro. In addition, he will have to raise money for both companies and therefore we have to rely upon his discretion as to what money he will be raising for Info-Pro and what money he will raise for us. We can only hope Del will devote sufficient time to the affairs of our Company and allocate any future money raised so that we will be maintained in good standing and can commence our exploration program on our claim. Even with full disclosure by Del, we cannot insure that we will receive fair and equitable treatment in every transaction.

19. We do not carry a policy for key man insurance, which in the event we wish to replace our management team funds will not be available to do so.

We have not subscribed to a key man insurance policy in the event that our current director and President either departs from our Company or meets an untimely end. There will be no proceeds from insurance to allow us to attract an individual to replace our President and it is unlikely we will have extra money on hand to be allocated for this purpose.

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

ITEM 2. DESCRIPTION OF PROPERTY

History of the Standard claim

The Standard claim was staked February 24, 1999 after the rights of the previous owners had expired. The claim covers 15.8 square miles located within the Bridge River Gold Camp near the historic Bralorne-Pioneer Mine. The Bralorne-Pioneer Property represents the largest single gold producer in B.C., having produced over 4 million ounces of gold from ore averaging 0.53 oz/ton during the period 1932-1971.

Standard engaged the services of Calvin Church, Professional Geologist, to prepare a geological report on the Standard claim. His report was dated May 27, 1999 and parts of it are noted in this Form 10-KSB. Church's report covers the geology and mineralization in the Bridge River mining camp and potential for discoveries on the Standard claim.

-11-

Location, Access and Physiography of the Standard claim

The Standard claim is located approximately 113 miles north of Vancouver and 2.5 miles southeast of the town of Gold Bridge in southwestern British Columbia. The geographical centre of the claim is given by the U.T.M. coordinates 516600E, 5626700N (Lat. 50 47'35"N, Long. 122 45'53"W) on N.T.S. mapsheet 92J/15. The town of Gold Bridge can be accessed by all weather gravel road (highway #40B) from Lillooet or via the Hurley River forestry road from Pemberton. Access to the north end of the claim is by four-wheel drive vehicle up Fergusson Creek to the headwaters above 5,800 feet elevation. Helicopters are available from bases in the towns of Pemberton or Lillooet.

The property is situated near the northwest end of the Bendor Range within the Coast Mountains where steep west facing slopes of Mt. Fergusson range from 5,000 to 8,500 feet. Sub-alpine scrub alder and hemlock trees grow at lower elevations in the southwest corner of the claim and rock exposure is good along peaks and ridges in the east half of the claim. The winters are cold with generally high snowfall accumulations and summers are hot and dry.

Claim Status

The Standard claim was staked by a professional staker and is registered in the Lillooet Mining Division of British Columbia. The claim was then sold to Standard Capital Corporation, of Surrey, B.C., who own the claim outright. Mineral tenure is secure for one year from the date of staking as described below.

Claim Name	Tenure No.	Units	Expiry Date
-----	-----	-----	-----
Standard	367933	18	February 24, 2006

Regional patterns of metal zonation across the eastern flank of the Coast Plutonic Complex divide the camp into gold rich and silver rich deposits related to the proximity with the central plutons (bodies of medium to coarse-grained igneous rock that formed beneath the surface due to the solidification of magma). 'Congress type' mineralization, represented by low gold-silver ratios and antimony rich ores, developed distal to coast granitic intrusives in shear zones and Tertiary porphyry dykes. Mineralization at the Bralorne and Pioneer

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

mineralization consists of gold and arsenopyrite bearing quartz veins filling in echelon tension fractures in the Bralorne diorite (a group of coarse-grained igneous rocks intermediate in composition between acidic and basic) and Pioneer greenstones. The Standard property is located in a transition zone between gold-arsenic rich and silver-antimony rich zones. Although economic mineralization has not yet been identified on the property, rock samples from the Waterloo show multielement anomalies and significant gold values to warrant further investigation.

An exploration program including reconnaissance mapping, prospecting and geochemical sampling is recommended to determine the extent of the mineralizing system on the Standard claim. Further programs of trenching and drilling are recommended contingent on favorable results of each preceding exploration phase.

Exploration activities undertaken between January 18 to 21, 2002

The Legal Corner Post is located approximately 2 miles southeast of the Village of Bralorne and on the north side of Fergusson Creek. Access to the Standard claim is by snowmobile part way up the Fergusson Creek access trail to the 5,800 foot elevation and approximately 1 mile up Fergusson Creek.

The claim boundary is characterized by extreme topographical conditions. Sub-alpine scrub alder and hemlock trees grow at the creek elevations and rock

-12-

outcropping exposure is good along peaks and ridges in the east half of the canyon. The winters are cold with generally high snowfall accumulations and summers are hot and dry.

Assessment work for 2002 filed with B.C. Minfile documents the immediate claim area being prospected. Trenching and underground exploration work was completed on adjacent ground. Two zones of mineralization were identified. Assays from these sheared vein structures ranged from 8.7 g/t to 28.2 g/t gold over variable widths of 10 cm to 80 cm.

Exploration activities undertaken between February 2 to 3 and 13 to 14, 2003

The objective of this physical work program was to lay out a sampling grid system in preparation for a geochemical soils sampling program. A budget of approximately \$3,600 Cdn was expended to lay out 2,350 metres of sampling grid. The next step to be taken is to initiate a geochemistry soils program over the entire grid and prospect the ridge for geological structures.

The Standard claim had sufficient work and cash expended on it to maintain it in good standing with the Ministry of Energy and Mines until February 23, 2004.

In 2004 the Company maintained the Standard claim in good standing through the purchase of certain PAC (portable assessment credits) expenses. The Company was able to purchase these credits at 30 cents on the dollar and maintain the claim in good standing for a further year. PAC credits occur when an exploration company does sufficient work on its claim to maintain it in good standing for a maximum of 10 years. Any excess exploration credits are applied to a PAC account and can be used on other properties owned by the company or sold to companies needing assessment work.

In June 2004, William Timmins, P. Eng., wrote a geology report on the Standard claim and proposed a budget for recommended work on the claim. The total

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

proposed expenditures for Phase I are \$25,000 and for Phase II \$50,000 for a total proposed budget of \$75,000. Between September 30, 2004 and November 30, 2004, work was done on the Standard claim in the amount of \$3,600 Canadian plus a \$180 filing fee.

The claim is now in good standing until February 23, 2006.

The Company's Main Product

The Company's primary product will be the sale of minerals, both precious and commercial. No minerals have been found to exist on the Standard claim and therefore the possibilities of obtaining a cash flow from the sale of minerals in the future might be remote.

The Company's Exploration Facilities

The Company will be exploring and developing, if warranted, the Standard claim and does not plan to build any mill or smelter. There exists a fully equipped smelter within 5 miles of the Standard claim but it is privately owned and may or may not accept ore from the Company to process. If the Company is unable to obtain a commitment when the claim is proven to have reserves thereon, it might have to transport the ore to other smelters, which are located at great distances from the Standard claim.

During the exploration period, the Company can use tent facilities, during the summer months, to house its geological workers or it can obtain hotel accommodation in either the towns of Gold Bridge or Bralorne.

-13-

Investment Policies

The Company does not have an investment policy at this time. Any excess funds it has on hand will be deposited in interest bearing notes such as term deposits or short term money instruments. There are no restrictions on what the director is able to invest or additional funds held by the Company. Presently the Company does not have any excess funds to invest.

ITEM 3. LEGAL PROCEEDINGS

There are no legal proceedings to which Standard is a party or to which its property is subject, nor to the best of management's knowledge are any material legal proceedings contemplated.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITIES HOLDERS

There has been no Annual General Meeting of Stockholders within the last fiscal year. An Annual Meeting has been called for November 18, 2005 where the stockholders will be asked re-elect Del Thachuk and Gordon Brooke as directors for the forthcoming year and to approve the appointment of Madsen & Associated CPA's. Inc. as the independent auditors.

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

During the past year, there has been no established trading market for Standard's common stock. Since its inception, Standard has not paid any dividends on its common stock, and Standard does not anticipate that it will pay dividends in the foreseeable future. As at August 31, 2005 Standard had 35 shareholders; one of these shareholders is an officer and director of Standard.

Subsequent to the balance sheet date, the Company, under an Offering Memorandum dated September 5, 2005 accepted subscriptions from 20 investors in the amount of \$49,500 representing 990,000 common shares at a price of \$0.05 per share. These funds have been used as follows:

Payment of outstanding accounts payable:		
Independent auditors	\$ 8,400	
Office expense	681	
Transfer agent fees	4,000	
Previous exploration expenses	2,605	\$ 15,686
Other expenses paid as incurred:		
Consulting fees - preparation of Form SB-2		7,500
Automobile expenses paid to the President		888
Legal opinion for inclusion in Form SB-2		2,500
Assessment work on the Standard claim		3,100
Independent auditors - August 31, 2005 statements		2,100

Amount disbursement from Offering Memorandum		31,774
Less: original amount of private placement		(49,500)

Balance of cash on hand as at October 24, 2005		\$ 17,726
		=====

-14-

2004 Stock Option Plan

At the Annual General Meeting of Stockholders held on February 20, 2004, the shareholders approved a Stock Option Plan whereby 5,000,000 common shares were set aside for the reasons noted in the following paragraph. The exercise price is the fair market value at the date of granting of the option.

The purposes of this Plan are (i) to retain the services of a management team, qualified employees of the Company and non-employee advisors or consultants; (ii) to retain the services of valued non-employee directors; (iii) to provide these persons with an opportunity to obtain or increase a proprietary interest in the Company, to provide incentives for effective service and high-level performance, to strengthen their incentive to achieve the objectives of the shareholders of the Company; and (iv) to serve as an aid and inducement in the hiring or recruitment of new employees, consultants, non-employee directors and other persons needed for future operations and growth of the Company.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

OVERVIEW

The Company was incorporated on September 24, 1998 under the laws of the State of Delaware. The Company's Articles of Incorporation currently provide that the

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

Company is authorized to issue 200,000,000 shares of common stock, par value \$0.001 per share. As at August 31, 2005, there were 1,295,000 shares outstanding. Subsequent to the year end, as noted above, the Company issued a further 990,000 common shares at a price of \$0.05 per share for a total consideration of \$49,500.

LIQUIDITY AND CAPITAL RESOURCES

As at August 31, 2005, the Company had cash of \$103 and liabilities of \$73,042. The liabilities of \$44,639 owed to general creditors are as follows: the transfer agent - \$4,000, auditors - \$10,500, internal accountant - \$15,450, edgarizing financial statements and other reports - \$4,190, previous exploration expenses - \$2,605, travel expenses - \$2,368, preparation of various filings \$2,500 and other payables - \$3,026. The amount owed to related parties of \$28,403 is non-interest bearing and has not fixed terms of repayment.

During the year, the Company has incurred the following expenses:

EXPENDITURE	AMOUNT
Accounting and audit i	\$ 7,050
Bank charges	75
Edgar filings. ii	1,150
Exploration and filing fees. . . . iii	3,070
Filing fees and franchise taxes. . iv	259
Management fees. v	2,400
Office	26
Rent vi	1,200
Telephone. vii	600
Transfer agent's fees and interest viii	(2,725)
Total expenses	<div style="border-top: 1px dashed black; border-bottom: 3px double black; padding: 2px 0;"> \$ 13,105 </div>

- i. The Company accrues \$500 in fees to its auditors, Madsen & Associates, CPA's Inc., for the review of its 10-QSBs and \$2,100 for the examination of the Form 10-KSB. In addition, the Company has accrued \$750 each for its November 10-QSB, February and May 10-QSBs; also, \$1,200 has been accrued for this Form 10-KSB in order that the accountant can prepare the applicable working papers and other information to be submitted to the auditors for their review of the Form 10-QSBs and 10-KSBs.
- ii. The Company has incurred certain expenses during the year for filing its various Forms 10-QSB and 10-KSB with the SEC. The expense for filing these Forms 10-QSB was \$250 per quarter and the Form 10-KSB is \$400.
- iii. In February 2005, the Company paid \$3,780 Cdn. for assessment work on the Standard claim. This expenditure maintained the claim in good standing

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

until February 24, 2006.

- iv. The Company has paid annual filing fees to The Company Corporation of \$175. Franchise taxes were paid by the Company to the State of Delaware in the amount of \$84 including interest.
- v. The Company does not compensate its directors for the service they perform for the Company since, at the present time it does not have adequate funds to do so. Nevertheless, management realizes that it should give recognition to the services performed by the directors and officers and therefore has accrued \$200 per month. This amount has been expensed in the current period with the offsetting credit being allocated to "Capital in Excess of Par Value" on the balance sheet. The Company will not, in the future, be responsible for paying either cash or shares in settling this accrual.
- vi. The Company does not incur any rental expense since it used the personal residence of its President. Similar to management fees, rent expense should be reflected as an operating expense. Therefore, the Company has accrued \$100 per month as an expense with an offsetting credit to "Capital in Excess of Par Value".
- vii. The Company does not have its own telephone number but uses the telephone number of its President. Similar to management fees and rent, the Company accrues an amount of \$50 per month to represent the charges for telephone with an offsetting entry to "Capital in Excess of Par Value".
- viii. During the period, the Company received its annual billing from Nevada Agency & Trust Company for acting as transfer agent for the year in the amount of \$1,200. In addition, the Company has accrued certain late charges of interest totaling \$1,389. The amount owing to Nevada Agency & Trust Company was written down to \$4,000, resulting in a write down of \$5,314 in fees.

The Company estimates the following expenses will be required during the next twelve months to meet its obligations:

Expenditures	Requirements For Twelve Months	Current Accounts Payable	Payments from Private Placement	Required Funds for Twelve Months
Accounting and audit.	1 \$ 7,050	\$ 25,950	\$ (10,500)	\$ 22,500
Annual general meeting. . . . .	.2 1,000	-	-	1,000
Bank charges.	100	-	-	100
Consulting.	3 2,500	2,500	(2,500)	2,500
Edgar filing fees	4 800	4,190	-	4,990
Exploration expenses.	5 -	2,605	(2,605)	-
Filing fees and franchise taxes	6 275	503	-	778
Office.	7 500	2,523	(681)	2,342
Transfer agent's fees	8 1,200	4,000	(4,000)	1,200
Travel and entertainment.	9 -	2,368	(888)	1,480
Estimated expenses	\$ 13,425	\$ 44,639	\$ (21,174)	\$ 36,890

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

-16-

No recognition has been given to management fees, rent or telephone since, at the present time, these expenses are not cash oriented.

1. Accounting and auditing expense has been projected as follows:

Filings -----	Accountant -----	Auditors -----	Total -----
Form 10-QSB - Nov. 30, 2005	\$ 750	\$ 500	\$ 1,250
Form 10-QSB - Feb 28, 2006.	750	500	1,250
Form 10-QSB - May 31, 2006.	750	500	1,250
Form 10-KSB - Aug 31, 2006.	1,200	2,100	3,300
	-----	-----	-----
	\$ 3,450	\$ 3,600	\$ 7,050
	=====	=====	=====

2. Annual General Meeting of Stockholders to be held on November 18, 2005 is expected to cost \$1,000 for preparation and circulating of the Notice of Meeting and Proxy and the cost for holding the meeting itself.
3. Consulting costs of \$2,500 are expected for further work preparing an Form SB-2 for submission to the SEC and responding to their comments. To date, the Company has paid \$7,500 for the preparation of the Form SB-2 and another \$2,500 to the attorney to give an opinion letter to be included in the Form SB-2.
4. Edgar filing fees comprise the cost of filing the various Forms 10-KSB and 10-QSB on Edgar. It is estimated the cost for each of the Form 10-QSBs will be \$100, the cost of filing the 10-KSB will be \$350 and the cost for filing the Form SB-2 will be \$150.
5. To maintain the Standard claim in good standing the Company will incur a cost of Cdn \$200 per unit. The number of units comprising the Standard claim is 18 and therefore, the minimum cost will be \$3,600 Cdn or \$3,100 US. Subsequent to the balance sheet date, the Company paid an advance of \$3,100 for exploration work to be undertaken on the Standard claim. This amount includes the filing fee of \$180. Therefore, there is no expense required for exploration during the next twelve months since once filed the Standard will be in good standing until February 24, 2007.
6. Filing fees for the Company as a registered agent are \$175 per year.

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

Franchise taxes paid to the State of Delaware are \$100.

7. Relates to photocopying and faxing based on prior year's actual charges.
8. Each year the Company is charged a fee of \$1,200 by its transfer agent to act on its behalf. Since the Company has paid for the shares issued under the private placement in the settlement with Nevada Agency & Trust there is not cost associated with the issuance of shares. The reason the Company decided to make an offer on the outstanding account

-17-

owed to Nevada Agency & Trust was that it had no transfer activities since 1999 but was charged \$1,200 a year plus interest on the outstanding balance.

9. It is not expected that there will be any travel expenses in the next year.

In addition to the above payments made from the Private Placement the Company also paid the attorney - \$2,500, the consultant preparing the Form SB-2 - \$5,000, assessment work on the Standard in the amount of \$3,100. The total amount paid by October 24, 2005 was \$31,774.

Standard will have to raise funds to settle the balance outstanding liabilities if it wishes to continue to operate in the future.

Standard does not expect to purchase or sell any plant or significant equipment during the next year.

Standard does not expect any significant changes in the number of employees.

ITEM 7. FINANCIAL STATEMENTS

The financial statements of Standard are included following the signature page to this Form 10-KSB.

ITEM 8. CHANGES IN AND DISAGREEMENT WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

During the fiscal year ended August 31, 2005 and through the subsequent period to, to the best of Standard's knowledge, there have been no disagreements with Madsen & Associates, CPA's Inc. on any matters of accounting principles or practices, financial statement disclosure, or audit scope procedures, which disagreement if not resolved to the satisfaction of Madsen & Associates, CPA's Inc. would have caused them to make a reference in connection with its report on the financial statements for the year.

ITEM 8A - CONTROLS AND PROCEDURES

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

(a) Evaluation of Disclosure Controls and Procedures

Standard's Chief Executive Officer and its Chief Financial Officer, after evaluating the effectiveness of Standard's controls and procedures (as defined in the Securities Exchange Act of 1934 Rules 13a 14(c) and 15d 14 (c) as of the date within 90 days of the filing of this annual report on Form 10-KSB (the "Evaluation Date"), have concluded that as of the Evaluation Date, Standard's disclosure controls and procedures were adequate and effective to ensure that material information relating to it would be made known to it by others, particularly during the period in which this annual report on Form 10-KSB was being prepared.

(b) Changes in Internal Controls

-18-

There were no significant changes in Standard's internal controls or in other factors that could significantly affect Standard's disclosure controls and procedures subsequent to the Evaluation Date, nor any significant deficiencies or material weaknesses in such disclosure controls and procedures requiring corrective actions.

PART 111

ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS, PROMOTERS, AND CONTROL PERSONS;
COMPLIANCE WITH SECTION 16 (A) OF THE EXCHANGE ACT

The following table sets forth as of August 31, 2005, the name, age, and position of each executive officers and director and the term of office of each director of Standard.

Name -----	Age -----	Position Held -----	Term as Director Since -----
Del Thachuk. . .	69	President and Director	1998
Maryanne Thachuk	68	Secretary Treasurer	-
B. Gordon Brooke	61	Chief Financial Officer, Chief Accounting Officer and Director	2004

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

The directors of Standard serve for a term of one year and until their successors are elected at Standard's Annual Shareholders' Meeting and are qualified, subject to removal by Standard's shareholders. Each officer serves, at the pleasure of the Board of Directors, for a term of one year and until his successor is elected at a meeting of the Board of Directors and is qualified.

Alexander Ibsen resigned as Chief Financial Officer and director on June 25, 2005. Gordon Brooke was appointed Chief Financial Officer on the same day.

Set forth below is certain biographical information regarding each of Standard's executive officers and directors.

DEL THACHUK has been the President and a Director of Standard since its inception. Mr. Thachuk graduated from Victoria Composite High School in Edmonton, Alberta before spending nine months articling as a chartered accountant student. Subsequently, Mr. Thachuk worked for two years for the City of Edmonton as a surveyor before entering professional football for four years. He was a player for London Lords in London, Ontario and then was hired by the Edmonton Eskimos. From 1962 to 1969, Mr. Thachuk was owner and president of Civic Tire & Battery Ltd. located in Olds, Alberta. His company owned three tire shops and was in partnership with an additional two. Subsequent to the sale of his company he became a contractor for a short period of time during which time he build and sold five houses and approximately thirty pre-fab homes. In 1971, Mr. Thachuk commenced mining a placer gold property he owned in Atlin, British Columbia. During the fifteen years he mined his placer property he extracted in excess of 30,000 ounces of gold. With the sale of the placer property, Mr.

-19-

Thachuk, over the next five years, entered into various mining ventures in Nevada, Washington State and British Columbia. During this same period of time, Mr. Thachuk was president of Red Fox Minerals Ltd., a company listed on the former Vancouver Stock Exchange. In 1991, he became part owner and general manager for Koben Sand & Gravel which employed 36 employees and in its third year of operations had in excess of CDN \$6,000,000 in sales. In 1994, Mr. Thachuk became a consultant for various companies until 1997 when he incorporated and became president of Mine A Max Corporation (renamed to Peabody's Coffee Inc.), a company trading on the OTC Bulletin Board in United States. Recently he formed a Nevada company named Info-Pro Marketing Inc. specializing in the distribution of educational books.

MARYANNE THACHUK has been Secretary Treasurer of Standard since its inception. She graduated from Jasper Place Sr. High in Edmonton in 1954 and then obtained a Certified Secretarial Diploma from McTavish Business College. From 1956 to 1960, Maryanne worked for CJCA Broadcasting Station in Edmonton reporting on court cases, sport related events and other news issues. She was the assistant to the Sports and News Director. In 1960, she moved to Vancouver and was employed as Private Secretary to the President of Dueck Motors. In 1962, she moved back to Alberta where she was trained as an In-Service Social Worker with the Alberta Government Department of Public & Child Welfare. In 1964 Maryanne moved back to Vancouver as the Private Secretary for the President of Lindal Cedar Homes. From 1965 to 1988 she worked part time for the President of Delmor Enterprises before becoming one of its directors. In 1988, she became the Personal Secretary to the Board Chairman of the Culinary Foods Division for

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

Canadian Airline. Since 1990, she has been working for the B.C. Government Department of Education (Surrey School District #36) where she has received specialized training in Finance & Administration. In 2001, she retired.

Del or Maryanne Thachuk are not directors of another company registered under the Securities and Exchange Act of 1934 other than Del who was a director and officer of Mine A Max Corporation until May 31, 1999.

Del Thachuk, the President and Director, and Maryanne Thachuk, the Secretary Treasurer, are married to one another.

B. GORDON BROOKE attended Westwood School Secondary School in Paddington, London, England before becoming an articled clerk in 1961 with Roberts White and Company, Chartered Accountants. In 1967, he continued his articles with FF Charles & Company, Chartered Accountants, as audit manager and supervisor of audits which entailed general audit, accounting, financial statement presentation for small public companies, including such companies as a dairy, a trade stamp company, automobile dealerships, financing companies, engineering, retailer, wholesalers, barristers and solicitors, antique dealers and clothing manufacturers. He had total responsibility for the audit of Michael Manufacturing Limited, a public trading company. This entailed the preparation of all information in the year-end financial statements and all printed matters for exchange filing and information to be distributed to the shareholders. In 1969, he qualified as a Chartered Accountant for England and Wales and immigrated to Canada where he accepted a position with Deloitte, Haskins and Sells, Chartered Accountants, in Toronto, Canada. His responsibilities included being an audit supervisor for mainly small and large business clients which included such firms as Wickett & Craig- tanners, Canada Dry Inc. - soft drinks, Chromalox Canada - heating systems, Northern Pigments - paints, to name a few. In 1972, he accepted a position as assistant to the chief Financial Officer of Candeco Management Inc. of Toronto where his responsibilities included preparation of monthly and annual financial reporting packages for all subsidiaries including corporate tax returns, preparation of all required audit working papers and complete audit files for all subsidiaries, responsibilities for internal control systems for all operating subsidiaries. In 1974, he became assistant to the chief Financial Officer of Canadian Chromalox Ltd. in Toronto where he undertook the controller functions from time to time and subsequently became the Ant-Inflation Officer for Canadian Chromalox's group of companies

-20-

where he was responsible for all price increase application to Ottawa. In 1977, with the end of the Anti-Inflation legislation he became an independent financial consultant where he offered the following services: accounting, financial statement presentation, business plans, personal and corporate taxation services, corporate reorganizations and restructurings, prospectus preparation and analysis and public offering advice and service. His client base consisted of such companies as Spectra Anodizing Inc. - anodizing services, Security Mirror Ltd. - mirror manufacturer, Arco Prime Steel Inc. - steel fabricator and many other small businesses as well as a continuing relationship with Canadian Chromalox and its subsidiaries. During this same period of time, Gordon Brooke either owned or was a working shareholder in the following business: Black Swan Investments Inc. 30% shareholder in a pub in Toronto, Octagon Industries Inc. 10% shareholder in a signage company, Reybrooke Housewares - 100% owner in a company licensed with a United Kingdom company for PVC extrusions, Beaver Hill Farm Inc. - 33.3% owner of this company which was a producer of fresh herbs grown under light and sold to over 200 retail outlets in southern Ontario. In 1997 he became financial consultant to Confectionately

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

Yours Inc. a Toronto based company specializing in large fresh baked goods and cereal bar manufacturer. His responsibilities were to serve as an interim controller and prepare business plans. In 1998, he became the unofficial Chief Financial Officer of the company until it was sold in December 2000. In 2001 to the present time, he has been working for Snack Crafters Inc. in Toronto as a financial consultant where his responsibilities have been to prepare business plans, to serve as an interim accountant providing accounting services, preparation of financial statements on a non-audit basis, corporate tax returns and assisting the company in its reorganization and restructuring.

To the knowledge of management, during the past five years, no present or former director, executive officer or person nominated to become a director or an executive officer of Standard:

- (1) filed a petition under the federal bankruptcy laws or any state insolvency law, nor had a receiver, fiscal agent or similar officer appointed by the court for the business or property of such person, or any partnership in which he was a general partner at or within two years before the time of such filings;
 - (2) was convicted in a criminal proceeding or named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);
 - (3) was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from or otherwise limiting, the following activities:
 - (i) acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, associated person of any of the foregoing, or as an investment advisor, underwriter, broker or dealer in securities, or as an affiliate person, director or employee of any investment company, or engaging in or continuing any conduct or practice in connection with such activity;
 - (ii) engaging in any type of business practice; or
 - (iii) engaging in any activities in connection with the purchase or sale of any security or commodity or in connection with any violation of federal or state securities laws or federal commodities laws;
 - (4) was the subject of any order, judgment, or decree, not subsequently reversed, suspended, or vacated, of any federal or state authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any activity described above under this Item, or to be associated with persons engaged in any such activities;
- 21-
- (5) was found by a court of competent jurisdiction in a civil action or by the Securities and Exchange Commission to have violated any federal or state securities law, and the judgment in such civil action or finding by the Securities and Exchange Commission has not been subsequently reversed, suspended, or vacated.
 - (6) was found by a court of competent jurisdiction in a civil action or by the

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

Commodity Futures Trading Commission to have violated any federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended or vacated.

COMPLIANCE WITH SECTION 16 (A) OF THE EXCHANGE ACT

Standard knows of no director, officer, beneficial owner of more than ten percent of any class of equity securities of Standard registered pursuant to Section 12 ("Reporting Person") that failed to file any reports required to be furnished pursuant to Section 16(a). Other than those disclosed below, Standard knows of no Reporting Person that failed to file the required reports during the most recent fiscal year.

The following table sets forth as at August 31, 2005, the name and position of each Reporting Person that filed any reports required pursuant to Section 16 (a) during the most recent fiscal year.

Name ----	Position -----	Form ----	Date Report Filed -----
Del Thachuk	Chief Executive Officer, President and Director	3	September 11, 2002
		5	November 17, 2003
Maryanne Thachuk	Secretary Treasurer	3	November 21, 2003
B. Gordon Brooke	Chief Financial Officer, Chief Accounting Officer and Director	3	March 5, 2004

ITEM 10. EXECUTIVE COMPENSATION

CASH COMPENSATION

There was no cash compensation paid to any director or executive officer of Standard during the fiscal year ended August 31, 2005.

The following table sets forth compensation paid or accrued by Standard during the fiscal years ended August 31, 2002 to 2005 to Standard's President and CEO, CFO, CAO, Directors and Secretary Treasurer.

SUMMARY COMPENSATION TABLE (2002-2005)

Annual Compensation -----	Long Term Compensation (US Dollars)	
	Awards -----	Payouts -----

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

(a)	(b)	(c)	(e)	(f)	(g)	(h)	(i)
Name and Principal position	Year	Salary	Other annual Comp. (\$)	Restricted stock awards (\$)	Options/SAR (#)	LTIP payouts (\$)	All other compensation (\$)
Del Thachuk	2002	-0-	-0-	-0-	-0-	-0-	-0-
Chief Executive	2003	-0-	-0-	-0-	-0-	-0-	-0-
Officer, President	2004	-0-	-0-	-0-	-0-	-0-	-0-
and Director	2005	-0-	-0-	-0-	-0-	-0-	-0-
Maryanne Thachuk	2002	-0-	-0-	-0-	-0-	-0-	-0-
Secretary Treasurer	2003	-0-	-0-	-0-	-0-	-0-	-0-
.	2004	-0-	-0-	-0-	-0-	-0-	-0-
.	2005	-0-	-0-	-0-	-0-	-0-	-0-
Alexander J. Ibsen	2004	-0-	-0-	-0-	-0-	-0-	-0-
Former Chief Financial Officer and Director.	2005	-0-	-0-	-0-	-0-	-0-	-0-
B. Gordon Brooke . . . . .	.2004	-0-	-0-	-0-	-0-	-0-	-0-
Chief Accounting Officer . . . . .	.2005	-0-	-0-	-0-	-0-	-0-	-0-
Chief Financial Officer and Director							

There has been no compensation given to either of the Director or Officers during the periods ended August 31, 2002 to 2005. There are no stock options outstanding as at August 31, 2005, but it is contemplated that the Company may issue stock options in the future to officers, directors, advisers and future employees.

BONUSES AND DEFERRED COMPENSATION

None

COMPENSATION PURSUANT TO PLANS

None

PENSION TABLE

None

OTHER COMPENSATION

The director has not received any compensation for the time he has devoted to Standard. Nevertheless, Standard does give recognition to the time spent by accruing as an expense each month a charge of \$200 per month as management fees with an offsetting credit to Capital in excess of par value. The amount so accrued with not be pay in either cash or shares to the director in the future.

COMPENSATION OF DIRECTORS

None

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

TERMINATION OF EMPLOYMENT

-23-

There are no compensatory plans or arrangements, including payments to be received from Standard, with respect to any person named in Cash Consideration set out above which would in any way result in payments to any such person because of his resignation, retirement, or other termination of such person's employment with Standard or its subsidiaries, or any change in control of Standard, or a change in the person's responsibilities following a change in control of Standard.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth as at August 31, 2005, the name and address and the number of shares of Standard's common stock, with a par value of \$0.001 per share, held of record or beneficially by each person who held of record, or was known by Standard to own beneficially, more than 5% of the issued and outstanding shares of Standard's common stock, and the name and shareholdings of each director and of all officers and directors as a group.

Name and Address of Beneficial Owner -----	Nature of Ownership(1) -----	Amount of Beneficial Ownership -----	Percent of Class -----
DEL THACHUK 2429 - 128th Street Surrey, British Columbia Canada, V4A 3W2	Direct	100,000 (i)	7.72
DORIS O'BRIEN 626 - Highway 99 P.O. Box 5 Surrey, British Columbia Canada, V4B 5A8.	Direct	100,000	7.72
AUGGNETHA QUASHIE 15382 - 110A Avenue Surrey, British Columbia Canada, V3R 9H6	Direct	100,000	7.72
MICHAEL LEVESQUE 3350 - 199A Street Langley, British Columbia Canada, V3A 4T9	Direct	100,000	7.72
MICHAEL THACHUK 47 - 20761 Telegraph Trail Surrey, British Columbia Canada, V1M 2W3	Direct	100,000 (ii)	7.72

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

GERRY WOLFF 4364 Woodcrest Road West Vancouver, B.C. Canada, V7SX 2W1.	Direct	100,000	7.72
MARVIS SHAW 246 - 20071 - 24th Avenue Langley, British Columbia Canada, V2Z 2A1.	Direct	100,000	7.72
KEN RADOMSKY 840 - 15355 - 24th Avenue White Rock, B.C. Canada, V4B 4C2.	Direct	100,000	7.72
RAYMOND MILLER 301 - 1323 Merklin Street White Rock, British Columbia Canada, V4A 4C2.	Direct	100,000	7.72
MARION K. SEPT 19188 - 84th Avenue Surrey, British Columbia Canada, V4N 3G5.	Direct	100,000	7.72
KAREN FORD 17773 - 59 a Avenue Surrey, British Columbia Canada, V3S 1R2.	Direct (2)	100,000	7.72
MARYANNE THACHUK 34-3387 King George Highway Surrey, British Columbia Canada, V4P 1B7.	-	NIL	0.00
ALEXANDER J. IBSEN 1533 Eagle Mountain Drive Coquitlam, British Columbia Canada, V3E 2Z3	-	NIL	0.00
B. GORDON BROOKE 115 Angelene Street, Mississauga, Ontario Canada, L5G 1X1	-	NIL	0.00
Director and Officers as a whole. . .	Direct	100,000	7.72

-24-

(1) All shares owned directly are owned beneficially and of record, and such shareholder has sole voting, investment and dispositive power, unless otherwise noted.

(2) These shares have been sold but the certificate has not been changed to denote the new owner.

(3) Under Rule 13-d under the Exchange Act, shares not outstanding but subject to options, warrants, rights, conversion privileges pursuant to which such shares may be acquired in the next 60 days are deemed to be outstanding for the purpose of computing the percentage of outstanding shares owned by the persons having such rights, but are not deemed outstanding for the purpose of computing the percentage for such other persons.

(i) This stock is restricted since it was issued in compliance with the exemption from registration provided by Section 4(2) of the Securities Act of 1933, as amended. After this stock has been held for one year, Mr. Thachuk could sell 1% of the outstanding stock in Standard every three months. Therefore, this stock can be sold after the expiration of one year in compliance with the provisions of Rule 144. There is "stock transfer" instructions placed against this certificate and a legend has been imprinted on the stock certificate itself.

(ii) Michael Thachuk is the son of the President of Standard. He is married and lives in his own home.

Subsequent to the year end, the Company undertook a private placement where Maryanne Thachuk purchased for cash 20,000 common shares and Gordon Brooke purchased 50,000 common shares all at a price of \$0.05 per share. These shares have been restricted from sale and transfer and can only be dealt with under the rules and regulations of Rule 144.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

TRANSACTIONS WITH MANAGEMENT AND OTHERS

Except as indicated below, there were no material transactions, or series of similar transactions, since inception of Standard and during its current fiscal period, or any currently proposed transactions, or series of similar transactions, to which Standard was or is to be a party, in which the amount involved exceeds \$60,000, and in which any director or executive officer, or any security holder who is known by Standard to own of record or beneficially more than 5% of any class of Standard's common stock, or any member of the immediate family of any of the foregoing persons, has an interest.

INDEBTEDNESS OF MANAGEMENT

There were no material transactions, or series of similar transactions, since the beginning of Standard's last fiscal year, or any currently proposed transactions, or series of similar transactions, to which Standard was or is to be a part, in which the amount involved exceeded \$60,000 and in which any director or executive officer, or any security holder who is known to Standard to own of record or beneficially more than 5% of the common shares of Standard's capital stock, or any member of the immediate family of any of the foregoing persons, has an interest.

TRANSACTIONS WITH PROMOTERS

Standard does not have promoters and has no transactions with any promoters.

PART IV

ITEM 13. EXHIBITS AND REPORTS ON FORM 8-K

(a) (1) FINANCIAL STATEMENTS.

The following financial statements are included in this report:

Title of Document -----	Page ----
Report of Madsen & Associates, CPA's Inc.	31
Balance Sheet as at August 31, 2005	32
Statement of Operations for the year ended August 31, 2005 and 2004 and for the period from September 24, 1998 (Date of Inception) to August 31, 2005	33
Statement in Changes in Stockholders' Equity for the period from September 24, 1998 (Date of Inception) to August 31, 2005	34
Statement of Cash Flows for the year ended August 31, 2005 and 2004 and for the period from September 24, 1998 (Date of Inception) to August 31, 2005	35
Notes to the Financial Statements	36

(a) (2) FINANCIAL STATEMENT SCHEDULES

The following financial statement schedules are included as part of this report:

None.

(a) (3) EXHIBITS

The following exhibits are included as part of this report by reference:

1. Certificate of Incorporation, Articles of Incorporation and By-laws
 - 1.1 Certificate of Incorporation (incorporated by reference from Standard's Registration Statement on Form 10-SB filed on December 6, 1999)
 - 1.2 Articles of Incorporation (incorporated by reference from Standard's Registration Statement on Form 10-SB filed on December 6, 1999)
 - 1.3 By-laws (incorporated by reference from Standard's Registration Statement on Form 10-SB filed on December 6, 1999)
- 99.1 Certificate Pursuant to Section 301(a) of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer)

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

99.2 Certification of the Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

99.3 Certificate Pursuant to Section 301(a) of the Sarbanes-Oxley Act of 2002 (Chief Financial Officer)

99.4 Certification of the Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(b) Reports on Form 8-K

- Filed on February 13, 2004 and dated February 5, 2004 regarding change of Standard's certifying accountants from Sellers & Andersen LLC to Madsen & Associates, CPA's Inc.
- Filed on February 25, 2004 regarding certain motions approved by the shareholders at the Annual General Meeting of Stockholders.
- Filed on February 25, 2004 and dated December 15, 2002 regarding change of Standard's certifying accountants from Andersen Andersen & Strong, LC to Sellers & Andersen

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

(1) Audit Fees

The aggregate fees billed by the independent accountants for the last two fiscal years for professional services for the audit of Standard's annual financial statements and the review included in Standard's Form 10-QSB and services that are normally provided by the accountants in connection with statutory and regulatory filings or engagements for those fiscal years were \$7,000.

(2) Audit-Related Fees

The aggregate fees billed in each of the last two fiscal years for assurance and related services by the principal accountants that are reasonably related to the performance of the audit or review of Standard's financial statements and are not reported under Item 9 (e)(1) of Schedule 14A was NIL.

(3) Tax Fees

The aggregate fees billed in each of the last two fiscal years for professional services rendered by the principal accountants for tax compliance, tax advise, and tax planning was \$200.

(4) All Other Fees

During the last two fiscal years there were no other fees charged by the principal accountants other than those disclosed in (1) and (3) above.

(5) Audit Committee's Pre-approval Policies

At the present time, there are not sufficient directors, officers and employees involved with Standard to make any pre-approval policies meaningful. Once Standard has elected more directors and appointed directors and non-directors to the Audit Committee it will have meetings and function in a meaningful manner.

(6) Audit hours incurred

The principal accountants did not spend greater than 50 percent of the hours spent on the accounting by Standard's internal accountant.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

STANDARD CAPITAL CORPORATION
(Registrant)

Date: October 25, 2005

By: /s/ "Del Thachuk"

Del Thachuk
Chief Executive Officer,
President and Director

Date: October 25, 2005

By: /s/ "B. Gordon Brooke"

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

B. Gordon Brooke
Chief Accounting Officer,
Chief Financial Officer and Director

-30-

MADSEN & ASSOCIATES, CPA'S INC.

Certified Public Accountants and Business
Consultants Board

684 East Vine Street, #3
Murray, Utah, 84107
Telephone 801-268-2632
Fax 801-262-3978

Board of Directors
Standard Capital Corporation
Vancouver B. C. Canada

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have audited the accompanying balance sheet of Standard Capital Corporation (pre- exploration stage company) at August 31, 2005, and the statement of operations, stockholders' equity, and cash flows for the years ended August 31, 2005 and 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall balance sheet presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Standard Capital Corporation at August 31, 2005, and the results of operations, and cash flows for the years ended August 31, 2005 and 2004 and the period September 24, 1998 (date of inception) to August 31, 2005, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company will need additional working capital to service its debt and for its planned activity, which raises

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are described in the notes to the financial statements. These financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Murray, Utah
October 16, 2005

/s/ "Madsen & Associates, CPA's Inc."

-31-

STANDARD CAPITAL CORPORATION
(PRE-EXPLORATION STAGE COMPANY)

BALANCE SHEET

AUGUST 31, 2005

ASSETS

CURRENT ASSETS

CASH	\$	103

TOTAL CURRENT ASSETS	\$	103
		=====

LIABILITIES AND STOCKHOLDERS' DEFICIENCY

CURRENT LIABILITIES

ACCOUNTS PAYABLE - RELATED PARTY	\$	28,403
ACCOUNTS PAYABLE		44,639

		73,042

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

STOCKHOLDERS' DEFICIENCY

COMMON STOCK	
200,000,000 SHARES AUTHORIZED, AT \$0.001 PAR VALUE	
1,295,000 SHARES ISSUED AND OUTSTANDING.	1,295
CAPITAL IN EXCESS OF PAR VALUE.	31,155
DEFICIT ACCUMULATED DURING THE PRE-EXPLORATION STAGE. .	(105,389)

TOTAL STOCKHOLDERS' DEFICIENCY.	(72,939)

	\$ 103
	=====

The accompanying notes are an integral part of these financial statements

-32-

STANDARD CAPITAL CORPORATION
(PRE-EXPLORATION STAGE COMPANY)

STATEMENT OF OPERATIONS

FOR THE YEARS ENDED AUGUST 31, 2005 AND 2004 AND THE PERIOD
SEPTEMBER 24, 1998 (DATE OF INCEPTION) TO AUGUST 31, 2005

	AUG 31, 2005	AUG 31, 2004	Sept 24, 1998 to Aug 31, 2005
	-----	-----	-----
REVENUES	\$ -	\$ -	\$ -
EXPENSES	13,105	24,180	105,389
	-----	-----	-----
NET LOSS	\$ (13,105)	\$ (24,180)	\$ (105,389)

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

=====

NET LOSS PER COMMON SHARE

Basic and diluted . .	\$ (0.01)	\$ (0.02)
	=====	=====

AVERAGE OUTSTANDING SHARES

Basic	1,295,000	1,295,000
	=====	=====

The accompanying notes are an integral part of these financial statements.

-33-

STANDARD CAPITAL CORPORATION
(PRE-EXPLORATION STAGE COMPANY)
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE PERIOD FROM SEPTEMBER 24, 1998 (DATE OF INCEPTION)
TO AUGUST 31, 2005

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

	Capital in Common Shares	Stock Amount	Excess of Par Value	Accumulated Deficit
	-----	-----	-----	-----
BALANCE SEPTEMBER 24, 1998 (date of inception)	-	\$ -	\$ -	\$ -
Issuance of common shares for cash at \$0.001 - January 11, 1999.	1,000,000	1,000	-	-
Issuance of common shares for cash at \$0.001 - February 19, 1999	100,000	100	-	-
Issuance of common shares for cash at \$0.01 - February 15, 1999.	195,000	195	1,755	-
Capital contributions - expenses	-	-	4,200	-
Net operating loss for the period from September 24, 1998 to August 31, 1999.	-	-	-	(12,976)
Capital contributions - expenses	-	-	4,200	-
Net operating loss for the year ended August 31, 2000.	-	-	-	(12,392)
Capital contributions - expenses	-	-	4,200	-
Net operating loss for the year ended August 31, 2001.	-	-	-	(13,015)
Capital contributions - expenses	-	-	4,200	-
Net operating loss for the year ended August 31, 2002.	-	-	-	(13,502)
Capital contributions.	-	-	4,200	-
Net operating loss for the year ended August 31, 2003.	-	-	-	(16,219)
Capital contributions.	-	-	4,200	-
Net operating loss for the year ended August 31, 2004.	-	-	-	(24,180)
Capital contributions.	-	-	4,200	-
Net operating loss for the year ended August 31, 2005.	-	-	-	(13,105)
	-----	-----	-----	-----
Balance, August 31, 2005	1,295,000	\$ 1,295	\$ 31,155	\$ (105,389)
	=====	=====	=====	=====

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

The accompanying notes are an integral part of these financial statements.

-34-

STANDARD CAPITAL CORPORATION
(PRE-EXPLORATION STAGE COMPANY)

STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED AUGUST 31, 2005 AND 2004 AND THE PERIOD
SEPTEMBER 24, 1998 (DATE OF INCEPTION) TO AUGUST 31, 2005

	AUG 31, 2005	Aug 31, 2004	Sept 24, 1998 to Aug 31, 2005
	-----	-----	-----
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	\$ (13,105)	\$ (24,180)	\$ (105,389)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Change in accounts payable . . .	8,940	19,917	73,042
Capital contributions - expenses	4,200	4,200	29,400
	-----	-----	-----
Net Change in Cash from Operations	35	(63)	(2,947)
	-----	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES	-	-	-
	-----	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issuance of common stock	-	-	3,050
	-----	-----	-----

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

Net Increase in Cash.	35	(63)	103
Cash at Beginning of Period	68	131	-
	-----	-----	-----
CASH AT END OF PERIOD	\$ 103	\$ 68	\$ 103
	=====	=====	=====

SCHEDULE OF NONCASH
OPERATING ACTIVITIES

Capital contributions - expenses	\$ 4,200	\$ 4,200	\$29,400
	=====	=====	=====

The accompanying notes are an integral part of these financial statements.

-35-

STANDARD CAPITAL CORPORATION
(Pre-Exploration Stage Company)
NOTES TO FINANCIAL STATEMENTS
August 31, 2005

1. ORGANIZATION

The Company was incorporated under the laws of the State of Delaware on September 24, 1998 with the authorized common stock of 25,000,000 shares at \$0.001 par value.

The Company was organized for the purpose of acquiring and developing mineral properties. At the report date mineral claims, with unknown reserves, had been acquired. The Company has not established the existence of a commercially minable ore deposit and therefore has not reached the development stage and is considered to be in the pre-exploration stage (see note 3).

The shareholders, at the Annual General Meeting held on February 20, 2004, approved an amendment to the Certificate of Incorporation whereby the authorized share capital of the Company would be increased from 25,000,000 common shares with a par value of \$0.001 per share to 200,000,000 common share with a par value of \$0.001 per share.

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

The Company has completed a private placement offering of 1,295,000 shares of its capital stock for \$3,050.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Methods -----

The Company recognizes income and expenses based on the accrual method of accounting.

Dividend Policy -----

The Company has not yet adopted a policy regarding payment of dividends.

Income Taxes -----

The Company utilizes the liability method of accounting for income taxes. Under the liability method deferred tax assets and liabilities are determined based on differences between financial reporting and the tax bases of the assets and liabilities and are measured using the enacted tax rates and laws that will be in effect, when the differences are expected to be reversed. An allowance against deferred tax assets is recorded, when it is more likely than not, that such tax benefits will not be realized.

On August 31, 2005, the Company had a net operating loss carry forward of \$105,389. The tax benefit of approximately \$31,600 from the loss carry forward has been fully offset by a valuation reserve because the use of the future tax benefit is doubtful since the Company has no operations. The loss carry forward will expire starting in 2014 through 2025.

-36-

STANDARD CAPITAL CORPORATION
(Pre-Exploration Stage Company)
NOTES TO FINANCIAL STATEMENTS
August 31, 2005

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Statement of Cash Flows -----

For the purposes of the statement of cash flows, the Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Basic and Diluted Net Income (loss) Per Share -----

Basic net income (loss) per share amounts are computed based on the weighted average number of shares actually outstanding. Diluted net income

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

(loss) per share amounts are computed using the weighted average number of common and common equivalent shares outstanding as if shares had been issued on the exercise of any common share rights unless the exercise becomes antidilutive and then only the basic per share amounts are shown in the report.

Unproven Mineral Claim Costs -----

Costs of acquisition, exploration, carrying and retaining unproven properties are expensed as incurred.

Revenue Recognition -----

Revenue is recognized on the sale and transfer of goods or completion of service.

Advertising and Market Development -----

The company expenses advertising and market development costs as incurred.

Financial and Concentrations Risk -----

The Company does not have any concentration or related financial credit risk.

Environmental Requirements -----

At the report date environmental requirements related to the mineral claim acquired are unknown and therefore an estimate of any future cost cannot be made.

Estimates and Assumptions -----

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles accepted in the United States of America. Those estimates and assumptions affect the reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing these financial statements.

-37-

STANDARD CAPITAL CORPORATION
(Pre-Exploration Stage Company)
NOTES TO FINANCIAL STATEMENTS
August 31, 2005

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Financial Instruments -----

Edgar Filing: STANDARD CAPITAL CORP - Form 10KSB

The carrying amounts of financial instruments, including cash and accounts payable, are considered by management to be their estimated fair value due to their short term maturities.

Recent Accounting Pronouncements

The Company does not expect that the adoption of other recent accounting pronouncements will have a material impact on its financial statements.

3. ACQUISITION OF MINING CLAIMS

The Company acquired one 18 unit metric claim known as the Standard claim located within the Bridge River gold camp near the town of Gold Bridge, 160 kilometres north of Vancouver, British Columbia with an expiration date of February 23, 2006. The claims may be extended for one year by the payment of \$3,780 Cdn or the completion of work on the property of \$3,600 Cdn plus a filing fee of \$180 Cdn.

The claims have not been proven to have commercially recoverable reserves and therefore the acquisition and exploration costs have been expensed.

4. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

On September 3, 2005 officers-directors and their families had acquired 21% of the common capital stock issued, and have made no interest, demand loans of \$28,403 and have made contributions to capital of \$29,400 to the Company in the form of expenses paid for the Company.

5. STOCK OPTION PLAN

At the Annual General Meeting held on February 20, 2004, the shareholders approved a Stock Option Plan (the "Plan") whereby a maximum of 5,000,000 common shares were authorized but unissued to be granted to directors, officers, consultants and non-employees who assisted in the development of the Company. The value of the stock options to be granted under the Plan will be determined on the fair market value of the Company's shares when they are listed on any established stock exchange or a national market system at the closing price as at the date of granting the option. No stock options have been granted under this Plan as at the date of the auditors' opinion attached to these financial statements.

6. CAPITAL STOCK

During October and November 2005 the Company completed a private placement offering of 990,000 common shares for cash of \$49,500.

7. GOING CONCERN

The Company will need additional working capital to service its debt and to develop the mineral claims acquired, which raises substantial doubt about its ability to continue as a going concern. Continuation of the Company as a going concern is dependent upon obtaining additional working capital and the management of the Company has developed a strategy, which it believes will accomplish this objective through additional equity funding (note 6), and long term financing, which will enable the Company to operate for the coming year.

