

COMPUSPEECH LIMITED
COMPANY REGISTRATION NUMBER : 2757290

DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2004

TORBITT & CO
Chartered Accountants



COMPUSPEECH LIMITED**DIRECTORS' REPORT**

The directors present their report and financial statements for the year ended 31ST March 2004.

PRINCIPAL ACTIVITIES

The company's principal activity was that of computer consultants.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their beneficial interests in the company's issued ordinary share capital at the beginning and at the end of the year were as follows:-

| | <u>2004</u> Ordinary <u>Shares</u> £ | <u>2003</u> Ordinary <u>Shares</u> £ |
|---------------|---|---|
| C P Smith | 1 | 1 |
| Mrs S M Smith | 1 | 1 |

These financial statements, which have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities, (effective June 2002), were approved on 18th December 2004 and are signed by order of the Board by:



S M SMITH
Secretary

COMPUSPEECH LIMITED**PROFIT AND LOSS ACCOUNT**
FOR THE YEAR ENDED 31st MARCH 2004

| | <u>Notes</u> | <u>2004</u> £ | <u>2003</u> £ |
|--|--------------|------------------|------------------|
| TURNOVER | | 16,062 | 3,573 |
| Cost of sales | | - | - |
| | | ----- | ----- |
| GROSS PROFIT | | 16,062 | 3,573 |
| Administrative expenses | | 15,644 | 2,433 |
| | | ----- | ----- |
| OPERATING PROFIT | 2 | 418 | 1,140 |
| Interest receivable | | 7 | 1 |
| | | --- | --- |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | 425 | 1,141 |
| TAXATION | 3 | - | (48) |
| | | --- | --- |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | | 425 | 1,189 |
| Dividends | 4 | 278 | 897 |
| | | --- | --- |
| PROFIT FOR THE YEAR | | 147 | 292 |
| RETAINED PROFIT BROUGHT FORWARD | | 730 | 438 |
| | | --- | --- |
| RETAINED PROFIT CARRIED FORWARD | | 877 | 730 |
| | | === | === |

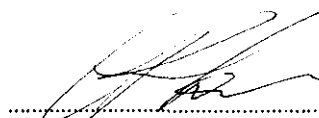
The notes on pages 5 to 7 form part of these financial statements

COMPUSPEECH LIMITED**BALANCE SHEET AS AT 31ST MARCH 2004**

| | Notes | <u>2004</u> | | <u>2003</u> | |
|--|-------|-------------|-----|-------------|-----|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 5 | | 455 | | 570 |
| CURRENT ASSETS | | | | | |
| Debtors | 6 | - | | 529 | |
| Cash at bank | | 1,398 | | 535 | |
| | | ----- | | ----- | |
| | | 1,398 | | 1,064 | |
| CREDITORS : amounts falling due | | | | | |
| within one year | 7 | 974 | | 902 | |
| | | --- | | ----- | |
| | | | 424 | | 162 |
| | | | --- | | --- |
| NET CURRENT ASSETS | | | 879 | | 732 |
| PROVISIONS FOR LIABILITIES | | | | | |
| AND CHARGES | | | | | |
| Deferred taxation | 8 | - | | - | |
| | | --- | | --- | |
| TOTAL ASSETS LESS CURRENT | | | 879 | | 732 |
| LIABILITIES | | | === | | === |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 9 | | 2 | | 2 |
| Reserves | | | 877 | | 730 |
| | | | --- | | --- |
| SHAREHOLDERS' FUNDS | | | 879 | | 732 |
| | | | === | | === |

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 249A(1) of the Companies Act 1985. Shareholders holding 10% or more of the company's share capital have not issued a notice requiring an audit under Section 249(B)(2) of the Companies Act 1985. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit for the year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities, (effective June 2002), were approved by the Board on 18th December 2004 and signed on its behalf.

 C P SMITH (Director)

The notes on pages 5 to 7 form part of these financial statements

COMPUSPEECH LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31ST MARCH 2004**1 ACCOUNTING POLICIES****(a) Accounting convention**

The financial statements have been prepared under the historical cost convention and incorporate the results of the principal activities which are described in the directors' report.

(b) The company qualifies as a small company under the Companies Act 1985. The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cashflow statement.**(c) Turnover**

Turnover represents the invoiced amount of goods sold and services provided, stated net of value added tax, and relates to the continuing activity of the company.

(d) Fixed assets

The cost of fixed assets is written off in equal annual instalments over their expected useful lives as follows:-

Computer equipment - 20% per annum

(e) Deferred taxation

Deferred tax is provided on the liability method to take account of material timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes

2 OPERATING PROFIT

| | <u>2004</u> | <u>2003</u> |
|---------------------------------------|-------------|-------------|
| | £ | £ |
| This is stated after charging:- | | |
| Depreciation of tangible fixed assets | 115 | 142 |
| Director's remuneration | 7,635 | 1,094 |

3 TAXATION

| | <u>2004</u> | <u>2003</u> |
|---|-------------|-------------|
| | £ | £ |
| Taxation based on profit for the year:- | | |
| Deferred tax | - | (48) |
| | --- | --- |
| | - | (48) |
| | === | === |

COMPUSPEECH LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 31ST MARCH 2004 (CONTINUED)**4 DIVIDENDS**

The directors approved the payment of dividends of £139 per share, totalling £278 (2003 - £897).

5 TANGIBLE FIXED ASSETS

| | <u>Computer Equipment</u> £ |
|--------------------------------|------------------------------------|
| COST | |
| At 1 st April 2003 | 1,732 |
| Addition | - |
| | ----- |
| At 31 st March 2004 | 1,732 |
| | ----- |
| DEPRECIATION | |
| At 1 st April 2003 | 1,162 |
| Charge for year | 115 |
| | ----- |
| At 31 st March 2004 | 1,277 |
| | ----- |
| NET BOOK VALUE | |
| At 31 st March 2004 | 455 |
| | === |
| At 31 st March 2003 | 570 |
| | === |

6 DEBTORS

| | <u>2004</u> £ | <u>2003</u> £ |
|---------------|------------------|------------------|
| Trade debtors | - | 529 |
| | --- | --- |

**7 CREDITORS : amounts falling due
within one year**

| | <u>2004</u> £ | <u>2003</u> £ |
|---------------------------------|------------------|------------------|
| Director's loan | 60 | 34 |
| Accruals | 425 | 300 |
| Other taxes and Social Security | 489 | 568 |
| | --- | --- |
| | 974 | 902 |
| | === | === |

COMPUSPEECH LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2004 (CONTINUED)

8 DEFERRED TAX

| | <u>2004</u> | <u>2003</u> |
|--|-------------|-------------|
| | <u>£</u> | <u>£</u> |
| Balance at 1 st April 2003 | - | 48 |
| Provision for the year/(written back) | - | (48) |
| | --- | --- |
| Balance at 31 st March 2004 | - | - |
| | === | === |

The provision for deferred taxation is made up of accelerated capital allowances.

9 SHARE CAPITAL

| | <u>2004</u> | <u>2003</u> |
|------------------------------------|-------------|-------------|
| | <u>£</u> | <u>£</u> |
| Authorised | | |
| Ordinary shares of £1 each | 100 | 100 |
| | === | === |
| Allotted, called up and fully paid | | |
| Ordinary shares of £1 each | 2 | 2 |
| | === | === |

10 CONTROL

The company is under the control of the directors.