

COMPUSPEECH LIMITED

COMPANY REGISTRATION NO: 2757290

DIRECTORS' REPORT

AND

ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 1997



TORBITT & CO

Chartered Accountants

COMPUSPEECH LIMITEDDIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31st March 1997.

REVIEW OF THE BUSINESS

The company's principal activity continues to be that of computer consultants. The company recommenced trading during the year.

DIRECTORS AND THEIR INTERESTS

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

	<u>Ordinary</u> <u>Shares</u>
C.P. Smith	1
Mrs S.M. Smith	1

This report, which has been prepared taking advantage of special exemptions applicable to small companies, was approved on 9th August 1997 and is signed on behalf of the Board by:-



MRS S M SMITH
Secretary

COMPUSPEECH LIMITEDPROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 1997

	<u>Notes</u>	<u>1997</u> £	<u>1996</u> £
Turnover		7,908	-
Cost of sales		-	-
		-----	---
GROSS PROFIT		7,908	-
Administrative expenses		4,524	45
		-----	---
OPERATING PROFIT/(LOSS) BEFORE TAXATION		3,384	(45)
Taxation	3	773	-
		-----	---
PROFIT/(LOSS) AFTER TAXATION		2,611	(45)
Dividends	4	1,775	-
		-----	---
RETAINED PROFIT/(LOSS) transferred to reserves	10	£ 836	£ (45)
		=====	=====

There were no recognised gains or losses other than those included in the profit and loss account.

The notes on pages 5 and 6 form part of these accounts.

COMPUSPEECH LIMITEDBALANCE SHEET AT 31ST MARCH 1997

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
		£	£
FIXED ASSETS			
Tangible assets	5	910	-
CURRENT ASSETS			
Debtors	6	4,203	43
Cash at bank		93	86
		-----	---
		4,296	129
CREDITORS: amounts falling due within one year	7	4,335	94
		-----	-----
NET CURRENT (LIABILITIES)/ASSETS		(39)	35
		---	---
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 871	£ 35
		===	===
CAPITAL AND RESERVES			
Share capital	8	2	2
Reserves	10	869	33
		---	---
		£ 871	£ 35
		===	===

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 nominal value of the company's issued share capital have not issued a notice requiring an audit. 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 accounts which give a true and fair view of the state of affairs of the company as at 31st March 1997 and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The accounts were approved on 9th August 1997 and are signed on behalf of the Board by:-


..... C P SMITH (Director)

The notes on pages 5 and 6 form part of these accounts.

COMPUSPEECH LIMITEDNOTES TO THE ACCOUNTS AT 31ST MARCH 1997

1 ACCOUNTING POLICIES

a) Accounting convention

The accounts are prepared under the historical cost convention and incorporate the results of the principal activity which is described in the directors' report and which is continuing.

b) Cashflow statement

The company qualifies as a small company under the Companies Act 1985, and has taken advantage of the exemption in Financial Reporting Standard No 1 from producing a cash flow statement.

c) 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

2 TRADING

The company recommenced trading on 15th August 1996.

3 TAXATION

	<u>1997</u>	<u>1996</u>
	£	£
Based on profit for period:		
Corporation tax at 24%	773	-
	===	=====

4 DIVIDENDS

The directors approved the payment of dividends of £887.50 per share, totalling £1,775 (1996 - Nil).

5 TANGIBLE FIXED ASSETS

	<u>Computer Equipment</u>
	£
COST	
Additions in period	996

DEPRECIATION	
Charge in period	86

NET BOOK VALUE	
As at 31st March 1997	910
	===

6 DEBTORS

	<u>1997</u>	<u>1996</u>
	£	£
Trade debtors	3,760	-
Other debtors	-	43
Advance Corporation Tax recoverable	443	-
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	4,203	43
	=====	===

COMPUSPEECH LIMITEDNOTES TO THE ACCOUNTS (CONTINUED)

7 CREDITORS: Amounts falling due within one year:-

	<u>1997</u>	<u>1996</u>
	£	£
Corporation tax	773	-
Accruals	1,765	94
ACT payable	443	-
Other taxes and Social Security	1,354	-
	-----	---
	<u>4,335</u>	<u>94</u>
	=====	===

8 SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
	£	£
Authorised		
100 Ordinary shares of £1 each	100	100
	===	===
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2
	===	===

9 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<u>1997</u>	<u>1996</u>
	£	£
Profit/(loss) for the financial period	2,611	(45)
Dividends	1,775	-
	-----	---
Net addition to/(deduction from)		
shareholders' funds	836	(45)
Opening shareholders' funds	35	80
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Closing shareholders' funds	<u>871</u>	<u>35</u>
	=====	===

10 RESERVES

At 1st April 1996	33
Profit for year	836

At 31st March 1997	£ 869
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