

Registration number: 5086737

The Speaking Tree Limited

Directors' Report and Unaudited Financial Statements

for the Year Ended 31 March 2009

Hele Kergozou Limited
Chartered Certified Accountants
Lilac Cottage
The Street
Draycott
Cheddar
Somerset

BS27 3TH

SATURDAY



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The Speaking Tree Limited
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The following pages do not form part of the statutory financial statements:

| | |
|--|----------|
| Detailed profit and loss account | 12 to 14 |
|--|----------|

The Speaking Tree Limited
Company Information

| | |
|--------------------------|--|
| Directors | G Mills I D Venkatasamy |
| Registered office | 5 High Street Glastonbury Somerset BA6 9DP |
| Accountants | Hele Kergozou Limited Chartered Certified Accountants Lilac Cottage The Street Draycott Cheddar Somerset BS27 3TH |

The Speaking Tree Limited
Directors' Report for the Year Ended 31 March 2009

The directors present their report and the financial statements for the year ended 31 March 2009.

Principal activity

The principal activity of the company is the wholesale and retail sale of books.

Directors and their interests

The directors who held office during the year and their beneficial interest in the shares of the company were as follows:

| | A Ordinary Shares shares of £1 each | | B Ordinary Shares shares of £1 each | |
|-----------------|--|---------------------------|--|---------------------------|
| | As at 31 March 2009 | As at 1 April 2008 | As at 31 March 2009 | As at 1 April 2008 |
| | No. | No. | No. | No. |
| G Mills | 1 | 1 | 4 | 4 |
| I D Venkatasamy | 1 | 1 | - | - |

Small company provisions

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board and signed on its behalf by:



G Mills
Director

Date: 24 JAN 2010

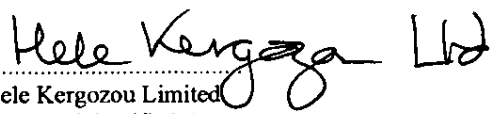
Accountants' Report to the Directors on the Unaudited Financial Statements of The Speaking Tree Limited

In accordance with the engagement letter dated 6 April 2005, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss Account, the Balance Sheet, and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Board of Directors, as a body, for our work or for this report.

You have acknowledged on the balance sheet as at 31 March 2009 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.


Hele Kergozou Limited
Chartered Certified Accountants
Date: 29th January 2010

Lilac Cottage
The Street
Draycott
Cheddar
Somerset
BS27 3TH

The Speaking Tree Limited
Profit and Loss Account for the Year Ended 31 March 2009

| | Note | 2009 £ | 2008 £ |
|--|------|----------------|----------------|
| Turnover | | 804,911 | 902,355 |
| Cost of sales | | (417,151) | (452,614) |
| Gross profit | | <u>387,760</u> | <u>449,741</u> |
| Administrative expenses | | (336,796) | (431,134) |
| Other operating income | 2 | 13,791 | 2,600 |
| Operating profit | 3 | <u>64,755</u> | <u>21,207</u> |
| Other interest receivable and similar income | | 968 | 1,042 |
| Interest payable and similar charges | | - | (182) |
| Profit on ordinary activities before taxation | | <u>65,723</u> | <u>22,067</u> |
| Tax on profit on ordinary activities | 5 | (24,334) | (4,822) |
| Profit for the financial year | 12 | <u>41,389</u> | <u>17,245</u> |
| Profit and loss reserve brought forward | | 20,984 | 3,739 |
| Dividends | 6 | (10,000) | - |
| Profit and loss reserve carried forward | | <u>52,373</u> | <u>20,984</u> |

The notes on pages 6 to 11 form an integral part of these financial statements.

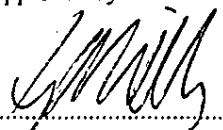
The Speaking Tree Limited
Balance Sheet as at 31 March 2009

| | | 2009 | | 2008 | |
|---|------|------------------|----------------|------------------|-----------------|
| | Note | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Intangible assets | 7 | | 56,250 | | 67,500 |
| Tangible assets | 8 | | <u>3,820</u> | | <u>6,489</u> |
| | | | 60,070 | | 73,989 |
| Current assets | | | | | |
| Stocks | | 68,420 | | 66,920 | |
| Debtors | 9 | 102,105 | | 104,836 | |
| Cash at bank and in hand | | <u>29,779</u> | | <u>22,399</u> | |
| | | 200,304 | | 194,155 | |
| Creditors: Amounts falling due within one year | 10 | <u>(207,995)</u> | | <u>(247,154)</u> | |
| Net current liabilities | | | <u>(7,691)</u> | | <u>(52,999)</u> |
| Net assets | | | <u>52,379</u> | | <u>20,990</u> |
| Capital and reserves | | | | | |
| Called up share capital | 11 | | 6 | | 6 |
| Profit and loss reserve | 12 | | <u>52,373</u> | | <u>20,984</u> |
| Shareholders' funds | | | <u>52,379</u> | | <u>20,990</u> |

For the financial year ended 31 March 2009, the company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985; and no notice has been deposited under section 249B(2) requesting an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the Companies Act 1985, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Approved by the Board on 29/1/10 and signed on its behalf by:



G Mills
Director

The notes on pages 6 to 11 form an integral part of these financial statements.

The Speaking Tree Limited

Notes to the Financial Statements for the Year Ended 31 March 2009

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Turnover

Turnover represents amounts chargeable in respect of the sale of goods and services to customers.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

| | |
|----------|---------------|
| Goodwill | over 10 years |
|----------|---------------|

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| | |
|---------------------|-------------------------|
| Plant and machinery | 20% straight line basis |
| Office Equipment | 25% straight line basis |
| Motor Vehicles | 25% straight line basis |

Goodwill

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Grants

Grants received are offset against expenses in the period the expenses are incurred. A grant was received in the year towards expenses of a sales trip to the USA.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Foreign currencies

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

The Speaking Tree Limited

Notes to the Financial Statements for the Year Ended 31 March 2009

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Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2 Other operating income

| | 2009 £ | 2008 £ |
|---------------------------------|---------------|--------------|
| Grants and subsidies receivable | 1,400 | 2,600 |
| Other income | 12,391 | - |
| | <u>13,791</u> | <u>2,600</u> |

3 Operating profit

Operating profit is stated after charging/(crediting):

| | 2009 £ | 2008 £ |
|---|---------------|--------------|
| Foreign currency (gains)/losses | (56) | 1,616 |
| Loss on sale of fixed assets | - | 2,725 |
| Depreciation of tangible fixed assets | 5,292 | 4,714 |
| Amortisation of intangible fixed assets | 11,250 | 7,500 |
| | <u>11,250</u> | <u>7,500</u> |

4 Directors' emoluments

The directors' emoluments for the year are as follows:

| | 2009 £ | 2008 £ |
|-------------------------|---------------|---------------|
| Directors' remuneration | <u>20,800</u> | <u>20,800</u> |

5 Taxation

Analysis of current period tax charge

| | 2009 £ | 2008 £ |
|------------------------|---------------|--------------|
| Current tax | | |
| Corporation tax charge | <u>24,334</u> | <u>4,822</u> |

The Speaking Tree Limited
Notes to the Financial Statements for the Year Ended 31 March 2009

..... *continued*

6 Dividends

| | 2009 | 2008 |
|------------------|---------------|-------------|
| | £ | £ |
| Equity dividends | <u>10,000</u> | <u>-</u> |