

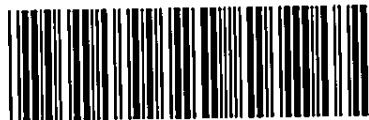
Liberator Limited

ABBREVIATED ACCOUNTS

for the year ended

30 September 2009

TUESDAY



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COMPANIES HOUSE

Company Registration No. 02590367

Liberator Limited

DIRECTORS' REPORT

For the year ended 30 September 2009

The directors present their report and financial statements of Liberator Limited for the year ended 30 September 2009.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The company acts as a distributor of augmentative alternate communication devices for its ultimate holding company, Prentke Romich Company, a company registered in the United States of America.

RESULTS AND DIVIDENDS

The results for the year are set out on page 4.

DIRECTORS

The following directors have held office since 1 October 2008:

Mrs M E Broehl
Mrs K Phillips - Clyne
Mr I C Thompson
Mr D Moffatt

AUDITORS

A resolution to reappoint Baker Tilly UK Audit LLP as auditors will be put to the the members at the Annual General Meeting.

STATEMENT OF DISCLOSURE TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Mr I C Thompson
DIRECTOR

22nd December 2009

Liberator Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF THE FINANCIAL STATEMENTS

The directors' are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Liberator Limited

INDEPENDENT AUDITORS' REPORT TO LIBERATOR LIMITED

Under Section 449 Of The Companies Act 2006

We have examined the abbreviated accounts set out on pages 4 to 14 together with the financial statements of Liberator Limited for the year ended 30 September 2009 prepared under section 396 of the Companies Act 2006.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

This report, including the opinion, has been prepared for and only for the company for the purpose of section 449 of the Companies Act 2006 and for no other purpose. To the fullest extent permitted by law, we do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

BASIS OF OPINION

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

Baker Tilly UK Audit LLP

David Turpin (Senior Statutory Auditor)

BAKER TILLY UK AUDIT LLP

Chartered Accountants

Registered Auditor

Exchange House

446 Midsummer Boulevard

Central Milton Keynes

MK9 2EA

23/12/09

Liberator Limited

ABBREVIATED PROFIT AND LOSS ACCOUNT for the year ended 30 September 2009

	<i>Notes</i>	2009 US\$	2008 US\$
Gross profit		2,245,892	2,432,693
Other operating expenses		<u>2,357,364</u>	<u>2,577,764</u>
OPERATING LOSS		(111,472)	(145,071)
Fundamental reorganising and restructuring costs		<u>(140,320)</u>	<u>-</u>
LOSS ON ORDINARY ACTIVITIES BEFORE INTEREST		(251,792)	(145,071)
Investment income	1	<u>255,881</u>	<u>21,883</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2	4,089	(123,188)
Taxation	4	<u>30,974</u>	<u>(4,785)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION	14	<u><u>35,063</u></u>	<u><u>(127,973)</u></u>

The operating loss for the year arises from the company's continuing operations.

Liberator Limited

BALANCE SHEET

30 September 2009

		Company registration no. 2590367	
		2009	2008
	Notes	US\$	US\$
FIXED ASSETS			
Tangible assets	5	764,646	831,226
Investments	6	184,522	63,633
		<u>949,168</u>	<u>894,859</u>
CURRENT ASSETS			
Stocks	7	547,848	496,644
Debtors: amounts falling due within one year	8	900,267	928,382
Debtors: amounts falling due after more than one year	8	-	120,889
Cash at bank and in hand		886,714	991,788
		<u>2,334,829</u>	<u>2,537,703</u>
CREDITORS: Amounts falling due within one year	9	1,176,029	1,359,657
NET CURRENT ASSETS		<u>1,158,800</u>	<u>1,178,046</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,107,968</u>	<u>2,072,905</u>
		<u>2,107,968</u>	<u>2,072,905</u>
CAPITAL AND RESERVES			
Called up share capital	11	139,920	139,920
Profit and loss account	12	1,968,048	1,932,985
SHAREHOLDERS' FUNDS	13	<u>2,107,968</u>	<u>2,072,905</u>

These abbreviated accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the board on 22nd December 2009

Mr I C Thompson

Director



Liberator Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention.

TURNOVER

Revenue from sale of goods net of VAT is recognised at the time of dispatch, at which time the sale is also invoiced to the customer.

Revenue from warranty agreements is recognised as the company earns the right to consideration as it performs its obligations under the terms of those contracts.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Fixed assets are stated at historical cost less depreciation.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Land and buildings Freehold	2% per annum straight line
Plant and machinery	50% per annum straight line
Fixtures, fittings & equipment	20-50% per annum straight line
Motor vehicles	33% per annum straight line

LEASED ASSETS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

INVESTMENTS

Fixed asset investments are stated at cost less provision for diminution in value.

STOCK

Stock is valued at the lower of cost and net realisable value. Provision is made for obsolete and slow-moving items.

PENSION CONTRIBUTIONS

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events at that date that will result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be future taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

FOREIGN CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated into dollars at the rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

Liberator Limited

ACCOUNTING POLICIES (CONTINUED)

SHARE CAPITAL

Share capital has been translated at the historic rate of £1 = US\$1.749.

FUNCTIONAL CURRENCY

The company acts as a distribution agent for its US parent undertaking and, as such, the majority of its transactions are in US dollars. The financial statements have therefore been prepared in US dollars, the company's functional currency. Monetary assets and liabilities at 30 September 2009 expressed in any currency other than US dollars have been translated at the exchange rate of £1:US\$1.59.

Liberator Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 September 2009

1	INVESTMENT INCOME	2009 US\$	2008 US\$
	Income from shares in group undertakings	250,000	-
	Bank interest	4,338	20,913
	Other interest	1,543	970
		<u>255,881</u>	<u>21,883</u>
2	PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2009 US\$	2008 US\$
	Profit is stated after charging:		
	Depreciation of tangible assets		
	- Owned assets	209,848	159,382
	Loss on disposal of tangible assets	14,670	-
	Exceptional staff reorganisation costs	140,320	-
	Loss/(profit) on foreign exchange transactions	126,232	123,918
	Operating lease rentals		
	- Plant and machinery	57,149	51,530
	- Other assets	27,002	27,002
	Auditor's remuneration	25,350	16,575
		<u></u>	<u></u>
3	DIRECTORS' EMOLUMENTS	2009 US\$	2008 US\$
	Emoluments	<u>282,934</u>	<u>267,367</u>
	The number of directors for whom retirement benefits are accruing under money purchase scheme was:	<u>2</u>	<u>2</u>

Liberator Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2009

4	TAXATION	2009 US\$	2008 US\$
	UK Corporation tax		
	Current tax on profit/(loss) of the period	-	-
	Adjustment for prior years	(24,091)	-
	CURRENT TAX CHARGE	(24,091)	-
	DEFERRED TAX		
	Origination and reversal of timing differences	(6,883)	4,785
	Tax on profit/(loss) on ordinary activities	(30,974)	4,785
	FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR		
	The tax assessed for the year is lower than the standard rate of corporation tax (21%) as explained below:		
	Profit/(loss) on ordinary activities before taxation	4,089	(123,188)
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2008 - 30.00%)	859	(36,956)
	Effects of:		
	Non deductible expenses	4,610	6,751
	Depreciation add back	10,344	(2,692)
	Tax losses utilised	-	32,897
	Adjustments for prior years	(24,091)	-
	Foreign tax credits	(13,349)	-
	Other short term timing differences	(2,464)	-
		(24,950)	36,956
	CURRENT TAX CHARGE	(24,091)	-

Liberator Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2009

5 TANGIBLE FIXED ASSETS

	<i>Land and buildings</i> US\$	<i>Plant and machinery</i> US\$	<i>Total</i> US\$
Cost			
1 October 2008	568,815	632,455	1,201,270
Additions	-	157,937	157,937
Disposals	-	(50,842)	(50,842)
30 September 2009	568,815	739,550	1,308,365
Depreciation			
1 October 2008	33,181	336,863	370,044
Charge in the year	11,376	198,472	209,848
Disposals	-	(36,173)	(36,173)
30 September 2009	44,557	499,162	543,719
Net book value			
30 September 2009	524,258	240,388	764,646
30 September 2008	535,634	295,592	831,226

Liberator Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2009

6 FIXED ASSET INVESTMENTS

	Shares in subsidiary undertakings US\$
COST	
At 1 October 2008	63,633
Additions	120,889
At 30 September 2009	184,522
NET BOOK VALUE	
At 30 September 2009	184,522
At 30 September 2008	63,633

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

COMPANY	Country of registration or incorporation	Shares held Class	%
SUBSIDIARY UNDERTAKINGS			
Prentke Romich GmbH	Germany	Ordinary	100.00
Liberator Pty Limited	Australia	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves 2009 US\$	Profit for the year 2009 US\$
Prentke Romich GmbH	Distributor of communication aids	1,815,066	186,625
Liberator Pty Limited	Distributor of communication aids	61,815	61,700

7 STOCKS

	2009 US\$	2008 US\$
Finished goods and goods for resale	547,848	496,644

Liberator Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2009

8 DEBTORS	2009 US\$	2008 US\$
Trade debtors	342,060	312,840
Amounts owed by parent and fellow subsidiary undertakings	441,007	611,105
Other debtors	14,275	42,118
Prepayments and accrued income	84,039	70,635
Deferred tax asset (see note 10)	18,886	12,573
	<u>900,267</u>	<u>1,049,271</u>

Amounts falling due after more than one year and included in the debtors above are:

	2009 US\$	2008 US\$
Amounts owed by group undertakings	-	120,889

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2009 US\$	2008 US\$
Trade creditors	122,605	52,549
Amounts owed to parent and fellow subsidiary undertakings	396,164	493,312
Taxes and social security costs	32,459	30,271
Other creditors	12,453	12,228
Accruals and deferred income	612,348	771,297
	<u>1,176,029</u>	<u>1,359,657</u>

Liberator Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2009

10 DEFERRED TAX ASSET

	2009 US\$
Balance at 1 October 2008	(12,573)
Profit and loss account	(6,313)
	<u>(18,886)</u>
Balance at 30 September 2009	<u>(18,886)</u>

	2009 US\$	2008 US\$
Decelerated capital allowances	<u>(18,886)</u>	<u>(12,573)</u>

11 SHARE CAPITAL

	2009 US\$	2008 US\$
AUTHORISED		
874,500 Ordinary shares of US\$1 each	<u>874,500</u>	<u>874,500</u>
ALLOTTED, CALLED UP AND FULLY PAID		
139,920 Ordinary shares of US\$1 each	<u>139,920</u>	<u>139,920</u>
EQUITY SHARES		
139,920 Ordinary shares of US\$1 each	<u>139,920</u>	<u>139,920</u>

12 RESERVES

	Profit and loss account US\$
Balance at 1 October 2008	1,932,985
Profit for the year	<u>35,063</u>
Balance at 30 September 2009	<u>1,968,048</u>

Liberator Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 September 2009

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2009 US\$	2008 US\$
Profit/(Loss) for the financial year	35,063	(127,973)
Opening shareholders' funds	2,072,905	2,200,878
Closing shareholders' funds	2,107,968	2,072,905

14 FINANCIAL COMMITMENTS

At 30 September 2009 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 September 2010:

	Land and buildings		Other	
	2009	2008	2009	2008
	US\$	US\$	US\$	US\$
Operating leases which expire:				
Within one year	-	-	4,188	11,626
Between two and five years	26,325	26,325	54,328	34,695
	26,325	26,325	58,516	46,321

15 ULTIMATE PARENT COMPANY

The ultimate parent undertaking is Prentke Romich Company of 1022 Heyl Road, Wooster, Ohio, a company registered and incorporated in the United States of America.