



CWSPEECH LIMITED

**UNAUDITED ABBREVIATED
ACCOUNTS**

**FOR THE THIRTEEN MONTHS
ENDED 31 OCTOBER 2008**



Company no. 6400938

CWSPEECH LIMITED
ABBREVIATED ACCOUNTS



For the thirteen months ended 31 October 2008

Company registration number:	6400938
Registered office:	90 Fetter Lane London EC4A 1JP
Directors:	S Loopuit P A G Seers R Mussen
Secretary:	R Mussen
Bankers:	Bank of Scotland West End Office 14/16 Cockspur Street London SW1Y 5BL
Solicitors:	Bird & Bird 90 Fetter Lane London EC4A 1JP

CWSPEECH LIMITED
ABBREVIATED ACCOUNTS



For the thirteen months ended 31 October 2008

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As at 31 October 2008

	Note	2008
Current assets		
Debtors		774,454
Cash at bank and in hand		<u>16,929</u>
		791,383
Creditors: amounts falling due within one year		<u>(578,456)</u>
Total assets less current liabilities		<u>212,927</u>
Capital and reserves		
Called up share capital	3	13
Share premium account		19,998
Other reserves		64,381
Profit and loss account		<u>128,535</u>
Equity shareholders' funds		<u>212,927</u>

In the directors' opinion the entity was entitled under section 249A(1) of the Companies Act 1985 to exemption from the audit of its accounts for the period ended 31 October 2008. Members have not required the company to obtain an audit of these accounts.

The directors are responsible for ensuring that the entity keeps accounting records which comply with section 221 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the entity as at the end of each financial period and of its profit or loss for each period in accordance with the requirements of section 226 of the Act and which otherwise comply with its requirements, so far as applicable to the entity.

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The abbreviated accounts were approved by the Board of Directors on 16th September 2009.



Rupert Mussen - Director and Company Secretary

For the thirteen months ended 31 October 2008

1 BASIS OF PREPARATION

The abbreviated accounts have been prepared under the historical cost convention and in accordance with the Companies Act 1985 and applicable United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice).

The directors have reviewed the accounting policies to ensure that they remain the most appropriate to their particular circumstances for the purpose of giving a true and fair view. The principal accounting policies, as set out below, are unchanged compared with the prior year.

The directors have reviewed the Company's budgets and cash flow forecasts, including revenue projections, capital expenditure and corporation tax credits. From the review, the directors are of the opinion that the Company has adequate resources to continue as a going concern for the foreseeable future and accordingly, the accounts have been prepared on a going concern basis.

2 ACCOUNTING POLICIES

A. TURNOVER

Turnover from the outright sale of software licences is recognised on customer acceptance. Software maintenance revenue is recognised over the life of the contract. Turnover from professional services is recognised as services are performed taking into account the expected total revenue and man days effort on each project as it progresses. Turnover on contracts involving a combination of products and services is recognised separately on each deliverable in accordance with the above policy unless all deliverables are considered to be interdependent when turnover is recognised on final acceptance. All turnover is stated net of VAT and trade discounts.

B. FOREIGN CURRENCY

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rate subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

C. RESEARCH AND DEVELOPMENT

Research and development costs are written off as incurred.

D. SHARE OPTIONS

All share-based payment arrangements granted after 7 November 2002 that had not vested prior to 1 January 2006 are recognised in the financial statements.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions.

All equity-settled share-based payments are ultimately recognised as an expense in the profit and loss account with a corresponding credit to "other reserve".

If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are revised subsequently if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options that have vested are not exercised.

Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

For the thirteen months ended 31 October 2008

3 SHARE CAPITAL

	2008 £
Authorised	
1,000,000 ordinary shares of £0.01 each	<u>10,000</u>
Allotted, called up and fully paid	
1,250 ordinary shares of £0.01 each	<u>13</u>

Following the incorporation of the company on 16 October 2007, 1,000 ordinary shares of £0.01 each in the company were allotted to Vox Generation Limited for consideration of £10.

Subsequently on 2 November 2007, 250 ordinary shares of £0.01 each in the company were allotted to Simon Loopuit for consideration of £20,000.

(a) Deed of option relating to shares in capital of CWSpeech Limited: On the 12 November 2007, Vox Generation Limited entered a deed of option with S Loopuit. The exercise period of the deed of option was 4 years to 12 November 2011 and under the terms of the deed of option either Vox Generation Limited or S Loopuit could exercise the deed of option.

Upon exercise of the deed of option by either party Vox Generation Limited would be required to purchase at the agreed fair market value 250 ordinary shares of £0.01 in the company from S Loopuit payable either in cash or the equivalent fair value of ordinary £0.001 shares in Vox Generation Limited.

On 24 October 2008 Vox Generation Limited acquired 3 ordinary shares of £0.01 each in the company from Simon Loopuit in exchange for cash consideration of £20,000 and a further 247 ordinary shares of £0.01 each in the company in exchange for the issue of 1,320,909 ordinary shares of £0.01 each in Vox Generation Limited. The cash consideration was applied to fully pay up the 250 shares which were issued to Simon Loopuit nil paid.

Based on the forecast earnings of CWSpeech Limited at the 12 November 2007 the company recognised a share based payment charge of £30,581 related to this deed of option during the thirteen months ended 31 October 2008.

The directors consider the substance of these transactions was one of a share based payment, rather than a disposal and subsequent reacquisition of a minority interest by the group. Accordingly, these transactions have been accounted as a share based payment.

(b) Framework agreement relating to CWSpeech Limited: On the 13 November 2007 the company entered into a framework agreement with Cable & Wireless UK; Vox Generation Limited; and S Loopuit. The Framework agreement granted Cable & Wireless UK the right to exercise two separate options under which they could acquire up to 612 ordinary shares of £0.001 in the company. The terms of the framework agreement expire on the 13 November 2009.

Based on the forecast earnings of CWSpeech Limited at the 13 November 2007 the company recognised a share based payment charge of £33,800 in respect of the Framework agreement during the thirteen months ended 31 October 2008.

4 POST BALANCE SHEET EVENTS

There were no events after the balance sheet date which would require adjustment to the financial statements.

Vox Generation Limited is the parent company and controlling entity of CWSpeech Limited and is the parent company of the largest and smallest group of which the Company is a member and in respect of which accounts are prepared. Accounts can be obtained from the registered office of Vox Generation Limited, 90 Fetter Lane, London, EC4A 1JP.