

Company Registration Number: 02168165

The Institute of Direct and Digital Marketing Training Limited
(formerly The Institute of Direct Marketing Training Limited)
Report and Financial Statements
for the year ended 31 August 2010

FRIDAY



A21 *ADHUKUAM* 226
20/05/2011
COMPANIES HOUSE

Menzies LLP
65 High Street
Egham
Surrey
TW20 9EY

Report and financial statements for the year ended 31 August 2010

Contents	Page
The directors' report	3
Independent auditors' report to the shareholders	5
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9

Directors

S. Hall (Chairman)
T.R. Lawes, FCA
D A Holder
E C Owen-Jones
C M Robertson
A C T Rogers
N Morris
R D Wild
L Turner
S McCarthy

Secretary and registered office

R D Wild, 1 Park Road, Teddington, Middlesex, TW11 0AR

Company number

02168165

Auditors

Menzies LLP, 65 High Street, Egham, Surrey TW20 9EY

Bank

Barclays Bank plc, Richmond & Twickenham Group, 8 George Street, Richmond, Surrey,
TW9 1JU

Solicitors

Farrer & Co, 66 Lincolns Inn Fields, London, WC2A 3LH

Report and financial statements for the year ended 31 August 2010

The directors present their report together with the audited financial statements for the year ended 31 August 2010

Results

The profit and loss account is set out on page 7 and shows the profit for the year

Principal activities, review of business and future developments

Throughout the year the activities of the company related to the provision of direct, digital and data marketing training and education services

The company changed its name to The Institute of Direct and Digital Marketing Training Limited on 17 February 2011

There have been no events since the balance sheet date which materially affect the position of the company.

Directors

The directors of the company during the year were

S Hall (Chairman)
T R Lawes, FCA
D A Holder
E C Owen-Jones
C M Robertson
A C T Rogers
N Morris
R D Wild
L Turner
S McCarthy

No director, except T R Lawes had any beneficial interest in the share capital of the company. T.R Lawes holds one share and is a director of the parent company, The Institute of Direct and Digital Marketing Limited (formerly The Institute of Direct Marketing Limited), which is a company limited by guarantee

Donations

During the year the company made a donation of £42,206 (2009 £71,678) to The Institute of Direct and Digital Marketing Limited (formerly The Institute of Direct Marketing Limited), a registered UK charity

Directors' responsibilities

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 and loss of the company for that period In preparing those financial statements, the directors are required to

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

Report and financial statements for the year ended 31 August 2010

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.

In so far as the directors are aware there is no relevant audit information of which the company's auditors are unaware, and the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

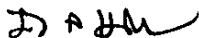
Auditors

Menzies LLP are deemed to be reappointed under Section 487 (2) of the Companies Act 2006.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the directors



D. A. Holder
Director

**Independent auditors' report to the shareholders (continued)
Year ended 31 August 2010**

To the shareholders of The Institute of Direct and Digital Marketing Training Limited (formerly The Institute of Direct Marketing Training Limited)

We have audited the financial statements of The Institute of Direct and Digital Marketing Training Limited (formerly The Institute of Direct Marketing Training Limited) for the year ended 31 August 2010 on pages 7 to 15. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

OPINION

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 August 2010 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

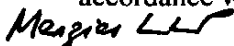
In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

**Independent auditors' report to the shareholders (continued)
Year ended 31 August 2010**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime


Malcolm Lucas FCA (Senior Statutory Auditor)
For and on behalf of Menzies LLP
Chartered Accountants and Statutory Auditor
Heathrow Business Centre
65 High Street
Egham
Surrey
TW20 9EY

22/3/11

Profit and loss account for the year ended 31 August 2010

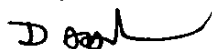
	Note	2010 £	2009 £
Turnover	2	2,320,809	2,900,379
Cost of sales		<u>1,154,995</u>	<u>1,440,032</u>
Gross profit		1,165,814	1,460,347
Administrative expenses		<u>1,254,420</u>	<u>1,517,663</u>
		(88,606)	(57,316)
Other operating income		<u>50,025</u>	<u>50,424</u>
Operating Loss	4	(38,581)	(6,892)
Interest receivable		<u>243</u>	<u>15,129</u>
Profit/(Loss) on ordinary activities before taxation		(38,338)	8,237
Taxation on profit on ordinary activities	8	<u>6,566</u>	<u>(8,237)</u>
Profit/(Loss) on ordinary activities after taxation		(31,772)	-
Retained profit brought forward		<u>109,361</u>	<u>109,361</u>
Retained profit carried forward		<u>77,589</u>	<u>109,361</u>

Balance sheet as at 31 August 2010

	Note	2010 £	2009 £
Fixed assets			
Tangible assets	9	50,735	62,945
Investments	10	155,776	504,667
		<u>206,511</u>	<u>567,612</u>
Current assets			
Stocks		794	15,180
Debtors	11	783,633	615,404
Cash at bank and in hand		490,855	427,118
		<u>1,275,282</u>	<u>1,057,702</u>
Creditors: Amounts falling due within one year	12	<u>661,467</u>	<u>687,560</u>
Net current assets		613,815	370,142
Total assets less current liabilities		820,326	937,754
Provision for liabilities and charges	13	-	-
Accruals and deferred income		<u>722,737</u>	<u>808,393</u>
		<u>722,737</u>	<u>808,393</u>
		<u>97,589</u>	<u>129,361</u>
Capital and reserves			
Called-up share capital	14	20,000	20,000
Profit and loss account		77,589	109,361
Equity shareholders' funds		<u>97,589</u>	<u>129,361</u>

These financial statements have been prepared in accordance with the special provisions for small companies under of Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved and authorised for issue by the directors on 10.11 and signed on their behalf by



D A Holder
Director

Company number. 02168165

Notes forming part of the financial statements for the year ended 31 August 2010

1. Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The following principal accounting policies have been applied:

Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that it is a 'small' company under the Companies Act 2006

Turnover

Turnover represents the total amount receivable, net of VAT, in the ordinary course of business for services provided in the year, after deducting discounts given and credit notes issued

Income receivable that relates to training courses held after the end of the accounting period is carried forward as deferred income

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of the fixed assets over their expected useful lives as follows

Leasehold improvements	- 10% straight line basis
Fixtures and fittings	- 20% reducing balance basis
Computer software and equipment	- 10% to 33% straight line basis
Website	- Over 2 and a half years

Investments

Fixed Asset investments listed on stock markets are included in the balance sheet at cost, unless in the opinion of the directors there is a permanent diminution in value.

Stocks

Stocks are stated at direct cost of labour and materials, or at net realisable value if lower

Foreign currency

Foreign currency transactions are translated into sterling at the rates ruling when they occurred
Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates Any differences are taken to the profit and loss account

Operating leases

Annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease

Course development costs

Course development costs are recognised as prepayments in the balance sheet and released to the profit and loss account over a period which matches the revenue generated from the relevant courses

Notes forming part of the financial statements for the year ended 31 August 2010

1. Accounting policies (*continued*)

Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that

- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences

Deferred tax balances are not discounted

Pensions

The company makes contributions to the personal pension plan of eligible employees but its liability thereto is limited to the amount of payment in any accounting period.

2. Turnover

	2010 £	2009 £
Analysis by geographical market:		
United Kingdom	2,146,395	2,703,653
Rest of world	174,414	196,726
	<u>2,320,809</u>	<u>2,900,379</u>

Turnover is wholly attributable to the principal activity of the company.

3. Other operating income

	2010 £	2009 £
Rental and other income	<u>50,025</u>	<u>50,424</u>

4. Operating (loss)/profit

	2010 £	2009 £
This is arrived at after charging/(crediting).		
Depreciation of tangible fixed assets	23,272	78,436
Hire of other assets (land and buildings) – operating leases	184,416	182,416
Hire of other assets (equipment) – operating leases	14,400	15,000
Audit services	4,000	5,300
Non-audit services	8,132	2,458
Exchange loss/(gain)	<u>2,332</u>	<u>1,369</u>

Notes forming part of the financial statements for the year ended 31 August 2010

5. Directors' remuneration

	2010 £	2009 £
Directors' emoluments	343,749	356,342
Company contributions to money purchase pension schemes	<u>-</u>	<u>25,300</u>

The total amount payable to the highest paid director in respect of emoluments was £115,696 (2009 £115,623)

Pension contributions of £Nil (2009 £25,300) have been paid to the personal pension plan of the highest paid director

6. Employees

Staff costs (including directors) consist of

	2010 £	2009 £
Wages and salaries	842,504	951,522
Social security costs	87,167	99,403
Other pension costs	-	25,300
	<u>929,671</u>	<u>1,076,225</u>

The average number of employees (including directors) during the year was as follows

2010 Number	2009 Number
<u>30</u>	<u>30</u>

7. Interest payable and similar charges

	2010 £	2009 £
Bank loans and overdrafts	<u>-</u>	<u>-</u>

Notes forming part of the financial statements for the year ended 31 August 2010

8. Taxation on (loss)/profit on ordinary activities

	2010 £	2009 £
UK corporation tax	(8092)	11,771
Current tax charge	(8092)	11,771
Adjustment to prior year tax charge	(231)	719
<i>Deferred tax</i>		
Deferred tax charge/(credit) for current year	1,757	(4,253)
Taxation on profit on ordinary activities	(6,566)	8,237

9. Tangible fixed assets

	Leasehold Improvements £	Fixtures and fittings £	Computer software and equipment £	Total £
<i>Cost</i>				
At 1 September 2009	371,609	138,515	722,928	1,233,052
Additions	-	-	11,063	11,063
At 31 August 2010	371,609	138,515	733,991	1,244,115
<i>Depreciation</i>				
At 1 September 2009	351,608	119,895	698,604	1,170,107
Provided for the year	4,442	4,072	14,759	23,273
At 31 August 2010	356,050	123,967	713,363	1,193,380
<i>Net book value</i>				
At 31 August 2010	15,559	14,548	20,628	50,735
At 31 August 2009	20,001	18,620	24,324	62,945

Notes forming part of the financial statements for the year ended 31 August 2010

10. Investments

	2010 £	2009 £
Cost at 1 September 2009	504,667	499,063
Adjustment to cost	-	5,604
Disposals	(348,891)	-
Cost at 31 August 2010	<u>155,776</u>	<u>504,667</u>

The market value of the investments as at 31 August 2010 was £86,118 (2009 £428,530)

11. Debtors

	2010 £	2009 £
Trade debtors	249,429	232,359
Amounts owed by group undertakings	199,399	50,841
Other debtors	21,638	11,537
Prepayments	313,167	320,667
	<u>783,633</u>	<u>615,404</u>

All amounts shown under debtors fall due for payment within one year

12. Creditors: Amounts falling due within one year

	2010 £	2009 £
Trade creditors	261,553	191,863
Amounts owed to group undertakings	-	73,159
Taxation and social security	42,137	63,648
Other creditors	357,777	358,890
	<u>661,467</u>	<u>687,560</u>

Notes forming part of the financial statements for the year ended 31 August 2010

13. Provision for liabilities and charges

	Deferred taxation £
Balance at 1 September 2009	(4,441)
Charged to profit and loss account	1,757
Balance at 31 August 2010	<u>(2,684)</u>

The balance of £2,684 has been included in other debtors

Deferred taxation

	2010 £	2009 £
Timing differences on capital allowances	<u>(2,684)</u>	<u>(4,441)</u>

14. Share capital

	2010 £	Authorised 2009 £	2010 £	Allotted, called up and fully paid 2009 £
<i>Equity share capital</i>				
20,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>	<u>20,000</u>	<u>20,000</u>

15. Commitments under operating leases

The company had annual commitments under non-cancellable operating leases as set out below

	2010 Land and buildings £	2010 Other £	2009 Land and buildings £	2009 Other £
Operating leases which expire.				
In less than one year	-	-	-	-
In two to five years	182,416	14,400	182,416	15,000
After five years	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

16. Related party disclosures

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with members of the group headed by The Institute of Direct Marketing Limited on the grounds that at least 100% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements

Related party transactions and balances

The company entered into the following arrangements

Accountancy fees of £1,350 (2009 £1,350) were invoiced by R Wild's wife, Ros Jenkins. R Wild is a director of the company The amount due is included within creditors.

Fees of £3,600 (2009 £28,908) were invoiced by S McCarthy for work done on diploma exams, and business and product development S McCarthy is a director of the company

17. Ultimate parent company and parent undertaking of larger group

At 31 August 2010 the company's ultimate parent company was The Institute of Direct and Digital Marketing Limited (formerly The Institute of Direct Marketing Limited)

Copies of the consolidated financial statements of The Institute of Direct Marketing Limited (formerly The Institute of Direct Marketing Limited) are available from Companies House

18. Contingent liabilities

The company at the year end was party to a joint and several guarantee together with its fellow subsidiary IDM Membership Limited to secure the facilities granted by the companies' bankers

The security is supported as follows

- i) cross guarantee structure between the fellow subsidiaries
- ii) mortgage debentures over the fixed and floating assets of this company and its fellow subsidiary

At the year end liabilities covered by this guarantee totalled £Nil (2009 £ Nil)

Notes forming part of the financial statements for the year ended 31 August 2010

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditors' report on page 5**

Detailed profit and loss account for the year ended 31 August 2010

	Page	2010 £	2009 £
Turnover		2,320,809	2,900,379
Cost of sales	18	1,154,995	1,440,032
Gross profit		1,165,814	1,460,347
Administrative expenses	18	1,254,420	1,517,663
		(88,606)	(57,316)
Other operating income	18	50,025	50,424
Operating profit/(loss)		(38,581)	(6,892)
Interest receivable	18	243	15,129
Profit/(loss) on ordinary activities		(38,338)	8,237

Detailed profit and loss account for the year ended 31 August 2010 (continued)

Cost of sales

	2010 £	2009 £
Purchases	<u>1,154,995</u>	<u>1,440,032</u>

Administrative expenses

	2010 £	2009 £
Staff salaries	826,032	949,991
National insurance	87,167	99,403
Staff pensions	-	25,300
Recruitment costs	19,435	5,887
Staff training	2,962	2,732
Group service charge	(178,442)	(194,743)
Rent, rates and service charge	167,487	201,074
Heat, light and cleaning	65,418	59,851
Advertising	12,981	22,723
Printing, postage and stationery	48,823	52,337
Telephone and fax	12,951	12,154
Repairs and maintenance	19,047	17,112
Insurance	12,421	12,134
Subscriptions	6,083	7,088
Travel and subsistence	16,867	18,202
Entertaining	6,136	8,564
Professional fees	13,738	25,243
Sundry expenses	254	446
Bad debts	7,830	4,610
Depreciation	23,273	78,436
Bank charges	16,433	8,339
Computer costs	22,986	27,409
Exchange loss/(gain)	2,332	1,369
Giftaid to parent	42,206	71,678
Research	-	324
	<u>1,254,420</u>	<u>1,517,663</u>

Other operating income

	2010 £	2009 £
Rental and other income	<u>50,025</u>	<u>50,424</u>

Detailed profit and loss account for the year ended 31 August 2010 (continued)

Interest receivable

	2010	2009
	£	£
Bank deposits	<u>243</u>	<u>15,129</u>