

Company Registration No. 03974936 (England and Wales)

23RED LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011

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23RED LIMITED

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23RED LIMITED

INDEPENDENT AUDITORS' REPORT TO 23RED LIMITED

UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages 2 to 6, together with the financial statements of 23red Limited for the year ended 30 September 2011 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

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.

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 to be delivered 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.

HW Lee Associates LS

Sudhir Rawal (Senior Statutory Auditor)
for and on behalf of HW Lee Associates LLP

25.4.12

Chartered Accountants
Statutory Auditor

New Derwent House
69 - 73 Theobalds Road
London
WC1X 8TA

23RED LIMITED

ABBREVIATED BALANCE SHEET

AS AT 30 SEPTEMBER 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Tangible assets	2	361,331		477,099	
Investments	2	2,532		2,532	
		<u>363,863</u>		<u>479,631</u>	
Current assets					
Debtors	3	935,904	1,379,830		
Cash at bank and in hand		1,035,871	1,097,500		
		<u>1,971,775</u>	<u>2,477,330</u>		
Creditors: amounts falling due within one year		<u>(908,690)</u>	<u>(1,031,850)</u>		
Net current assets		<u>1,063,085</u>		<u>1,445,480</u>	
Total assets less current liabilities		<u>1,426,948</u>		<u>1,925,111</u>	
Creditors: amounts falling due after more than one year			-	(50,514)	
Provisions for liabilities			-	(29,847)	
		<u>1,426,948</u>		<u>1,844,750</u>	
Capital and reserves					
Called up share capital	4	700		1,000	
Share premium account		299,100		299,100	
Other reserves		230		(70)	
Profit and loss account		1,126,918		1,544,720	
Shareholders' funds		<u>1,426,948</u>		<u>1,844,750</u>	

These abbreviated accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Approved by the Board for issue on 24/4/12

J. Asscher

J Asscher
Director

Company Registration No. 03974936

23RED LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

1 Accounting policies

1.1 Accounting convention

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

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

1.2 Turnover

Turnover represents amounts receivable for marketing services net of VAT and trade discounts

Turnover is recognised as contract activity progresses, in accordance with the terms in the contractual agreement and the stage of completion of the work. It is in respect of the provision of marketing services including fees, commissions, rechargeable expenses and sales of marketing materials performed subject to a specific contract. Where recorded turnover exceeds amounts invoiced to clients, the excess is classified as accrued income. Conversely, where recorded turnover is less than amounts invoiced to clients, the excess is classified as deferred income.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	over length of lease
Plant and machinery	over 4 years

1.4 Investments

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

1.5 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.6 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.7 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet 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.

1.8 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

23RED LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2011

1 Accounting policies

(Continued)

1.9 Employee share ownership plans

The estimated costs of share awards made by the company is charged to profit over the period from grant date to the date of expected vesting or the performance period as appropriate. The cost of acquiring the shares is carried in shareholders' funds as "interest in own shares", and any difference between the cost of awards and the consideration paid to purchase the shares on the market is transferred to retained earnings when the shares vest to the employees unconditionally. In addition, the assets and liabilities of ESOP trusts utilised by the company to hold shares for employee remuneration schemes are consolidated.

1.10 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

23RED LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2011

2 Fixed assets

	Tangible assets	Investments	Total
	£	£	£
Cost			
At 1 October 2010	776,702	2,532	779,234
Additions	14,571	-	14,571
Disposals	(64,546)	-	(64,546)
At 30 September 2011	726,727	2,532	729,259
Depreciation			
At 1 October 2010	299,603	-	299,603
On disposals	(58,705)	-	(58,705)
Charge for the year	124,498	-	124,498
At 30 September 2011	365,396	-	365,396
Net book value			
At 30 September 2011	361,331	2,532	363,863
At 30 September 2010	477,099	2,532	479,631

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	Class	Shares held	%
Subsidiary undertakings				
V5 Brand Communications Limited	England and Wales	Ordinary	100 00	
23red Trustee Limited	England and Wales	Ordinary	100 00	
Govcomm Limited	England and Wales	Ordinary	100 00	
23red Management Limited	England and Wales	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	Profit/(loss) for the year
		2011	2011
	Principal activity	£	£
V5 Brand Communications Limited	Dormant	1	-
23red Trustee Limited	Dormant	1	-
Govcomm Limited	Dormant	1	-
23red Management Limited	Dormant	1	-

23RED LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2011

3 Debtors

Debtors include an amount of £95,878 (2010 - £96,673) which is due after more than one year

4 Share capital	2011 £	2010 £
Allotted, called up and fully paid		
70,000 Ordinary of 1p each	700	1,000

On 23rd November 2010, the company purchased 30,000 of its own Ordinary 1 pence shares for a consideration of £350,000

5 Ultimate parent company

The directors consider that there is no one controlling party

6 Related party relationships and transactions

Loans to directors

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
A Wylie	-	45,000	-	-	(45,000)	-
		45,000	-	-	(45,000)	-

Other transactions

During the year the company was charged the following for services from Vivacious World LLP, a partnership in which A Wylie, a former director, was a member £92,493 (2010 - £275,231)

The costs that were recharged to Vivacious World LLP from 23red Limited amounted to £26,466 (2010- £40,382)

At the balance sheet date 23red Limited owed Vivacious World LLP £47,063 (2010 £Nil) This balance is included with other creditors