

Company Registration No 05296852 (England and Wales)

ACCELERATION EMARKETING LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

MONDAY



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ACCELERATION EMARKETING LIMITED

COMPANY INFORMATION

Directors	S Pretorius J Van Niekerk M Roets G Keller
Secretary	M Roets
Company number	05296852
Registered office	Hathaway House Popes Drive Finchley London N3 1QF
Auditor	Deloitte LLP Chartered Accountants and Statutory Auditor London UK
Business address	Golden Cross House 8, Duncannon Street London WC2 N 4JF
Bankers	HSBC 431, Oxford Street London W1C 2DA

ACCELERATION EMARKETING LIMITED

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ACCELERATION EMARKETING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and financial statements for the year ended 31 December 2012

The directors report has been prepared in accordance with the special provisions relating to small companies within Section 415A of the Companies Act 2006

Principal activities

The principal activity of the company has continued to be that of online marketing consultants

Results for the year

The company earned a profit for the year of £701,057 (2011 £494,784) after taxation of £225,766 (2011 £183 238)

Going concern

Having considered the contracted and expected future sales and cashflows, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future and as such the accounts have been prepared on a going concern basis

Dividends declared and paid

The company declared and paid a dividend for the year of £300,000 (2011 nil) The dividend was declared and paid on 18 June 2012

Directors

The following directors have held office since 1 January 2012 and to the date of the approval of these financial statements

S Pretorius

J Van Nierkerk

M Roets

G Keller

Auditor

During the year, FMCB resigned as auditor and Deloitte LLP were appointed for the year under review Deloitte LLP have expressed their willingness to continue in office as auditor, and a resolution to reappoint them will be proposed at the Annual General Meeting

ACCELERATION EMARKETING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

Statement of 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 or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- consider whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 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

Statement of disclosure to auditor

Each of the persons who is a director at the date of approval of this report confirms that, so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information

By order of the board



M. Roets

Secretary

30 September 2013

ACCELERATION EMARKETING LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ACCELERATION EMARKETING LIMITED

We have audited the financial statements of Acceleration eMarketing Limited for the year ended 31 December 2012 which comprise the profit and loss account, the balance sheet and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, 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 members 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 members 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, 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 and express an opinion on 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 Ethical Standards for Auditors.

Scope of the audit of the 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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

ACCELERATION EMARKETING LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ACCELERATION EMARKETING LIMITED

Matters on which we are required to report by exception

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 take advantage of the small companies exemption in preparing the directors' report



Mark Tolley (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London

30 September 2013

ACCELERATION EMARKETING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £	2011 £
Turnover	2	6,072,967	5,777,872
Cost of sales		(3,410,776)	(3,532,369)
Gross profit		<u>2,662,191</u>	<u>2,245,503</u>
Administrative expenses		(1,727,400)	(1,560,684)
Operating profit	3	<u>934,791</u>	<u>684,819</u>
Interest receivable and similar income	4	19	19
Interest payable and similar charges	5	(7,987)	(6,816)
Profit on ordinary activities before taxation		<u>926,823</u>	<u>678,022</u>
Tax on profit on ordinary activities	7	(225,766)	(183,238)
Profit after taxation, being profit for the year	13	<u><u>701,057</u></u>	<u><u>494,784</u></u>

There are no recognised gains and losses other than the profit shown in the profit and loss account
Accordingly no separate statement of total recognised gains and losses is presented for the current and prior
year All results are derived from continuing operations

ACCELERATION EMARKETING LIMITED

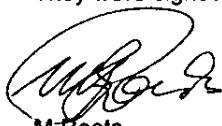
BALANCE SHEET

AS AT 31 DECEMBER 2012

	Notes	2012		2011	
		£	£	£	£
Fixed assets					
Tangible assets	8		29,573		14,598
Current assets					
Debtors	10	2,322,094		1,880,738	
Cash at bank and in hand		221,202		145,321	
		<u>2,543,296</u>		<u>2,026,059</u>	
Creditors: amounts falling due within one year	11	(1,551,311)		(1,425,392)	
Net current assets			991,985		600,667
Total assets less current liabilities			1,021,558		615,265
Creditors: amounts falling due after one year					
Deferred tax	7		(5,236)		-
Net assets			<u>1,016,322</u>		<u>615,265</u>
Capital and reserves					
Called up share capital	12		1		1
Profit and loss account	13		1,016,321		615,264
Shareholder's funds			<u>1,016,322</u>		<u>615,265</u>

These financial statements were approved by the Board of Directors and authorised for issue on 30 September 2013

They were signed on its behalf by



M Roets
Director

Company Registration No 05296852

ACCELERATION EMARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with applicable United Kingdom law and accounting standards and under the historical cost accounting rules. The going concern basis has been applied as described in the going concern statement within the Directors' Report.

The company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

1.2 Turnover

Turnover represents amounts receivable for services net of VAT and is recognised on a percentage of completion basis.

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:

Furniture and computer equipment	25% to 33 3% Straight line
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1.4 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.

1.5 Operating lease payments

Operating lease charges are accounted for on a straight line basis over the lifetime of the lease agreement.

1.6 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 that result in an obligation to pay more tax in the future or 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 or losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

1.7 Pension contributions

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

ACCELERATION EMARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

2 Turnover

In the year to 31 December 2012 £1,899,017 (31 27%) (2011 – £2,034,389 (35 21%)) of the company's turnover was to markets outside the United Kingdom, all of which were in the EU. The remainder of £4,173,950 (2011 £3,743,483) was all to the UK.

3 Operating profit

	2012	2011
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	8,400	10,176
Auditor's remuneration	12,000	11,350
Directors' remuneration	410,889	389,563
Foreign exchange loss	13,246	37,679
Operating lease charges	160,818	145,810

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2011 - 1). There are three directors being remunerated by the company. The total remuneration paid to the highest paid director amounts to £174,996 (2011 £174,996), including pension contributions of £5,573 (2011 £4,657).

The auditor, Deloitte LLP, did not provide any other services in either year.

4 Interest receivable and similar income

	2012	2011
	£	£
Bank interest	19	19

5 Interest payable and similar charges

	2012	2011
	£	£
Bank interest payable	7,987	6,816

6 Employee information

The company had 14 (2011 11) employees at the end of the year.

The average monthly numbers of employees (excluding executive directors) was

	2012	2011
Sales	12	10
Administration	1	1
Total	13	11

Their aggregate remuneration comprised

	2012	2011
	£	£
Salaries and wages	1,182,128	985,074
Social security costs	138,684	120,680
Pension contributions	13,095	11,761
	1,333,907	1,117,514

ACCELERATION EMARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

6 Employee information (continued)

Retirement benefit information

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	2012 £	2011 £
Contributions payable by the company for the year	13,095	11,761
No amounts were outstanding as at the year end (2011: nil)		

7 Taxation

	2012 £	2011 £
The tax charge comprises:		
Current tax		
UK Corporation tax	220,530	183,238
Total current tax	220,530	183,238
Deferred tax		
Origination and reversal of timing differences	6,142	-
Adjustment in respect of prior years	(906)	-
Total deferred tax	5,236	-
Total tax on profit on ordinary activities	225,766	183,238

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

Profit on ordinary activities before taxation	926,823	678,022
Tax on profit on ordinary activities at standard UK corporation tax rate of 24.5% (2011: 26.5%)	227,072	179,676
Non-taxable income	-	-
Current year expenses not tax deductible	10,525	3,562
Adjustments relating to prior years	(17,067)	-
Current tax charge for the year	220,530	183,238

ACCELERATION EMARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

8 Tangible fixed assets	Furniture and computer equipment £
Cost	
At 1 January 2012	51,730
Additions	24,049
Disposals	(674)
At 31 December 2012	75,105
Depreciation	
At 1 January 2012	37,132
Charge for the year	8,400
At 31 December 2012	45,532
Net book value	
At 31 December 2012	29,573
At 31 December 2011	14,598

9 Fixed asset Investments

	Subsidiary undertakings	
	2012	2011
	£	£
Cost		
At 1 January and 31 December 2012	1	1
Amounts written off		
At 1 January and 31 December 2012	(1)	(1)
Net Book Value		
At 1 January and 31 December 2012	-	-

The company owns 100% of the share capital of Acceleration eMarketing SA, an online marketing consultancy company incorporated in Argentina. The directors have written down the investment in Acceleration eMarketing SA to £nil (2011: £nil) to reflect its value in use.

ACCELERATION EMARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

10 Debtors	2012	2011
	£	£
Trade debtors	1,053,502	1,111,862
Amounts owed by group undertakings and associated undertakings	1,246,774	668,151
Other debtors	21,818	100,725
	<u>2,322,094</u>	<u>1,880,738</u>
11 Creditors: amounts falling due within one year	2012	2011
	£	£
Trade creditors	480,479	464,469
Amounts owed to group undertakings and associated undertakings	590,100	10,267
Taxation and social security	279,983	295,050
Other creditors	48,543	405,282
Accruals and Deferred Income	152,216	250,324
	<u>1,551,311</u>	<u>1,425,392</u>
12 Share capital	2012	2011
	£	£
Allotted, called up and fully paid		
1 ordinary share of £1	1	1
	<u>1</u>	<u>1</u>
13 Profit and loss account	2012	2011
	£	£
Balance at beginning of the year	615,264	120,470
Profit for the year	701,057	494,784
Dividend declared (refer to note 15)	(300,000)	-
Balance at end of the year	<u>1,016,321</u>	<u>615,264</u>
14 Shareholder's funds		
All movements in shareholder's funds are due to the profit for the year and dividends as disclosed in Note 13		
15 Dividends declared	2012	2011
	£	£
Dividend of £300,000 per share declared and paid on 18 June 2012	<u>300,000</u>	<u>-</u>

ACCELERATION EMARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

16 Financial commitments

At 31 December 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2013

	2012 £	2011 £
Operating leases which expire		
Within one year	70,349	33,647

17 Control

The company is a wholly owned subsidiary of Acceleration Holdings Limited, a company incorporated in Guernsey. The directors regard WPP plc, a company incorporated in Jersey, as the ultimate parent company and the ultimate controlling party. At the year end the parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member is WPP plc, registered in Jersey. The parent undertaking of the smallest group such group is Lexington International B V, registered in the Netherlands.

Copies of the financial statements of WPP plc are available at www.wppinvestor.com. Copies of the financial statements of Lexington International B V can be obtained from Laan Op Zuid 167, 3072 DB Rotterdam, Netherlands or 27 Farm Street, London, W1J 5RJ, UK.

18 Post balance sheet events

There were no subsequent events which require adjustment or disclosure in these annual financial statements.

19 Related party relationships and transactions

Loans to directors

The following directors had interest free loans during the year. The movements on these loans are as follows:

Description	% Rate	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
S Pretonus - overdrawn loan account	-	7,057	-	-	(7,057)	-
J Van Nierkerk - overdrawn loan account	-	12,000	-	-	(12,000)	-
		19,057	-	-	(19,057)	-

The above two loans were repaid during the year.

ACCELERATION EMARKETING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2012

19 Related party relationships and transactions (Continued)

Other transactions

Acceleration eMarketing (PTY) Limited (a company incorporated in the Republic of South Africa) is related by common directorships and shareholders. Cost of sales include charges of £1,453,074 (2011 - £1,766,665) from Acceleration eMarketing (PTY) Limited and included in other creditors is £584,988 (2011 - £559,719) due to that company. Turnover includes £385,295 (2011 - £523,475) from Acceleration eMarketing (PTY) Limited.

Group accounts are not prepared. The group consists of Acceleration Holdings Limited (a company incorporated in Guernsey) which is the parent company. Acceleration eMarketing Incorporated (a company incorporated in the United States of America) is a fellow subsidiary and Acceleration eMarketing SA (a company incorporated in Argentina) a direct subsidiary. Group indebtedness and transactions with group undertakings are set out below.

Cost of sales includes £50,352 (2011 - £108,165) from Acceleration eMarketing Incorporated. Included in debtors is £211,084 (2010 - £32,091) due from that company. Turnover includes £247,711 (2011 - £290,554).

Cost of sales includes £74,129 (2011 - £42,112) from Acceleration Holdings Limited. Included in debtors is £783,646 (2011 - £636,060) due from that company.

Cost of sales includes £8,603 (2011 - £65,103) from Acceleration eMarketing SA. Included in creditors is £5,112 (2011 - £10,267) due to that company.

Included in debtors is £210,889 due from that Acceleration Digital (Pty) Ltd.

Included in debtors is £41,155 due from that Acceleration Middle East FZ-LLC.