

Company Registration Number: 02959076

IDM Membership Limited
Report and Financial Statements
for the year ended
31 August 2012

Menzies LLP
65 High Street
Egham
Surrey
TW20 9EY

FRIDAY



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COMPANIES HOUSE

Report and financial statements for the year ended 31 August 2012

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Directors

S Hall (Chairman)

T R Lawes, FCA

C Robertson

S McCarthy

Secretary and registered office

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

Company number

02959076

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 2012

The directors present their report together with the audited financial statements for the year ended 31 August 2012

Results

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

Principal activities

The principal activity of the company is the promotion of professional standards amongst direct, digital and data marketing professionals by the provision of membership services available only to those professionals who meet the criteria set down for qualification by education and experience and agree to abide by the code of conduct for members.

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 (deceased 14 February 2012)

N G Morris (resigned 6th July 2012)

C Robertson

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 Marketing Limited, which is a company limited by guarantee.

Donations

During the year the company made a donation of £Nil (2010: £Nil) 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.

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.

Report and financial statements for the year ended 31 August 2012

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

Going concern

The Directors consider that the company will continue to operate profitably for the foreseeable future and as such, the accounts are prepared on a going concern basis

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



T R Lawes
Director

6/3/13

Independent auditors' report to the shareholders (continued)
Year ended 31 August 2012

To the shareholders of IDM Membership Limited

We have audited the financial statements IDM Membership Limited for the year ended 31 August 2012 on pages 7 to 13. 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 and 4, 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 (APB'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.

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 2012 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 year for which the financial statements are prepared is consistent with the financial statements.

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:

Independent auditors' report to the shareholders (continued)
Year ended 31 August 2012

- 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

Menzies LLP

Andrew Cook 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

10/3/13

Profit and loss account for the year ended 31 August 2012

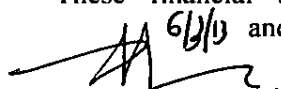
	Note	2012 £	2011 £
Turnover	2	328,850	345,394
Cost of sales		<u>96,334</u>	<u>100,819</u>
Gross profit		232,516	244,575
Administrative expenses		<u>232,552</u>	<u>244,712</u>
Operating profit		(36)	(137)
Interest receivable		<u>36</u>	<u>137</u>
Profit on ordinary activities before taxation		0	0
Taxation on profit on ordinary activities		-	-
Retained profit/(loss) for the financial year		0	0

Balance sheet as at 31 August 2012

	Note	2012 £	2011 £
Fixed assets			
Tangible assets	5	-	-
Current assets			
Debtors	6	134,354	203,638
Cash at bank and in hand		94,780	39,766
		<u>229,134</u>	<u>243,404</u>
Creditors: Amounts falling due within one year	7	<u>54,976</u>	<u>49,250</u>
Net current assets		174,158	194,154
Total assets less current liabilities		174,158	194,154
Deferred income	8	215,850	235,846
Total assets less current liabilities		<u>(41,692)</u>	<u>(41,692)</u>
Capital and reserves			
Called-up equity share capital	9	100	100
Profit and loss account		<u>(41,792)</u>	<u>(41,792)</u>
Equity shareholders' funds		<u>(41,692)</u>	<u>(41,692)</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 6/9/12 and signed on their behalf by



T R Lawes
Director

Company Number 2959076

Notes forming part of the financial statements for the year ended 31 August 2012

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

Basis of Preparation

The company currently shows an excess of liabilities over assets on its balance sheet. It is anticipated that in the next 12 months the company will continue to break even and its financial position will improve. Due to the ongoing support of its parent company, the directors are of the opinion that it is appropriate to prepare the financial statements on a going concern basis, which assumes that the company will continue in existence for the foreseeable future.

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 in the ordinary course of business for services provided in the year, after deducting discounts given and credit notes issued.

Subscription income relating to periods after the end of the accounting period is carried forward as deferred income.

Income from founder members is credited to the founder member reserve. 50% is transferred to the profit and loss account in the first year of membership, the remainder being transferred on a straight line basis over ten years.

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

Equipment - 25% straight line basis

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.

2. Turnover

The company's turnover and profit before tax are attributable to the one principal activity of the company and are wholly attributable to the United Kingdom.

Notes forming part of the financial statements for the year ended 31 August 2012

3. Operating profit

Operating profit is stated after charging

	2012 £	2011 £
Depreciation	-	-
Auditors' remuneration		
- audit services	4,645	4,500
- non-audit services	525	525
Directors' emoluments	39,326	33,556
	<hr/>	<hr/>

4. Tax on profit on ordinary activities

	2012 £	2011 £
<i>Domestic current year tax</i>		
UK Corporation tax	-	-
	<hr/>	<hr/>
Current tax charge	-	-
	<hr/>	<hr/>

Notes forming part of the financial statements for the year ended 31 August 2012

5. Tangible fixed assets

	Leasehold improvements £	Furniture & fittings £	Office equipment £	Total £
Cost				
At 1 September 2011 and 31 August 2012	<u>8,411</u>	<u>3,117</u>	<u>2,279</u>	<u>13,807</u>
Depreciation				
At 1 September 2011	8,411	3,117	2,279	13,807
Charge for the year	-	-	-	-
At 31 August 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net book value				
At 31 August 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2011	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

6. Debtors

	2012 £	2011 £
Trade debtors	109,988	112,118
Amounts owed by group companies	24,365	55,478
Other debtors	-	36,042
	<u>134,354</u>	<u>203,638</u>

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

Notes forming part of the financial statements for the year ended 31 August 2012

7. Creditors: Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	8,770	17,707
Amounts owed to group undertakings	143	143
Other creditors	46,063	31,400
	<u>54,976</u>	<u>49,250</u>

8. Deferred income

	2012	2011
	£	£
Subscription and other income	215,850	235,846
	<u>215,850</u>	<u>235,846</u>

9. Share capital**Authorised share capital:**

	2012	2011
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	No	2012	No	2011
		£		£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

10. Related party disclosures

The company has taken advantage of the exemptions allowed by Financial Reporting Standard for Smaller Entities "Related Party Transactions", not to disclose transactions with entities that are part of the group because consolidated financial statements in which it is included are publicly available.

11. Ultimate parent company and parent undertaking of larger group

At 31 August 2012 the company's ultimate parent company was The Institute of Direct and Digital Marketing Limited, which is also considered the ultimate controlling party

Copies of the consolidated financial statements of The Institute of Direct and Digital Marketing Limited are available from Companies House

12. Contingent liabilities

The company at the year end was party to a joint and several guarantee together with its fellow subsidiary The Institute of Direct and Digital Marketing Training 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 the liabilities covered by this guarantee totalled £Nil (2011 £Nil)

The company is in correspondence with HM Revenue & Customs regarding the correct VAT treatment of supplies made by the company. The directors strongly disagree with HMRC's current interpretation of the legislation and intend to contest any assessment raised through the appropriate procedures should this become necessary. However, until the issue is finalised the directors are unable to entirely confirm that no additional VAT will be payable as a result of the contested interpretation. The maximum potential liability arising from the matter is estimated to be approximately £120,000.

13. Profit and Loss Account

	2012 £	2011 £
Profit/(loss) brought forward	<u>(41,792)</u>	<u>(41,792)</u>
Profit/(loss) for the year	0	0
Profit/(loss) carried forward	<u>(41,792)</u>	<u>(41,792)</u>

**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 2012

	Page	2012 £	2011 £
Turnover		328,850	345,394
Cost of sales	15	96,334	100,819
		<hr/>	<hr/>
Gross profit		232,516	244,575
Administrative expenses	15	232,552	244,712
		<hr/>	<hr/>
Operating profit		(36)	(137)
Interest receivable	15	36	137
		<hr/>	<hr/>
Profit on ordinary activities before taxation		0	0
		<hr/>	<hr/>

Detailed profit and loss account for the year ended 31 August 2012 (continued)

Cost of sales

	2012 £	2011 £
Purchases	96,334	100,819

Administrative expenses

	2012 £	2011 £
Staffing costs	47,807	58,945
Group service charge	173,741	178,619
Advertising	-	-
Printing, postage and stationery	2,536	702
Publications	-	-
Subscriptions	1,033	325
Travel and subsistence	1,134	698
Entertaining	504	360
Professional fees	4,645	4,727
Sundry expenses	886	40
Depreciation	-	-
Bank charges	266	296
Overhead recovery	-	-
	232,552	244,712

Interest receivable

	2012 £	2011 £
Bank deposits	36	137