

Woo Communications Limited

Report and Financial Statements

Year Ended 31 December 2010

Company number 05418986

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Woo Communications Limited

**Directors' report and financial statements
for the year ended 31 December 2010**

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Directors

P Harris, P Scott

Secretary and registered office

P Harris, 60 Great Portland Street, W1W 7RT

Company number

05418986

Former Auditors

KPMG LLP
8 Salisbury Square
London
EC4Y 8BB

Woo Communications Limited

Directors' Report for the year ended 31 December 2010

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

Principal activity

On 1 January 2010 the trade and assets of the company were transferred into Partners Andrews Aldridge Limited (a company wholly owned by The Engine Group Limited) and the company ceased to trade

Results and dividends

No dividends were paid in respect of the financial year (2009 - £Nil)

Directors and their interests

The directors of the company during the year were

I Day	(resigned 30 th April 2010)
P Scott	
D Klein	(resigned 1 st August 2011)
P Harris	(appointed 30 th April 2010)

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 judgments and estimates that are reasonable and prudent,
- state 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities


P Harris
Director

Woo Communications Limited

Profit and loss account for the year ended 31 December 2010

	Note	2010 £	2009 £
Gross Billings	1	-	3,480,691
Rebillable costs	1	-	(1,831,858)
Revenue	1,2	-	1,648,833
Administrative expenses		-	(1,917,469)
Operating Loss	3	-	(268,636)
Interest receivable	5	-	35
Loss on ordinary activities before taxation		-	(268,601)
Taxation on loss on ordinary activities	6	-	7,111
Loss on ordinary activities after taxation		-	(261,490)

All amounts relate to discontinued activities

All recognised gains and losses are included in the profit and loss account

The notes on pages 4 to 10 form part of these financial statements

Woo Communications Limited

Balance sheet at 31 December 2010

	Note	2010 £	2010 £	2009 £	2009 £
Fixed assets					
Tangible assets			-		3,329
Current assets					
Debtors – due within one year	7	-		327,888	
Debtors – due in more than one year	8	-		5,063	
Cash at bank and in hand		-		286	
		-		333,237	
Creditors' amounts falling due within one year	9	(859,400)		(1,195,966)	
Net current liabilities			(859,400)		(862,729)
Net liabilities			(859,400)		(859,400)
Capital and reserves					
Called up share capital	10		10		10
Profit and loss account	11		(859,410)		(859,410)
Shareholders' deficit	12		(859,400)		(859,400)

For the year ended 31 December 2010 the company was entitled to exemption from audit under section 480 of the Companies Act 2006

Members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements were approved by the Board on 20 September 2011 and signed on their behalf by P Harris, Director,



The notes on pages 4 to 10 form part of these financial statements

Woo Communications Limited

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

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

The following amendments to standards have been adopted in these financial statements for the first time and have had no material impact on the results on the company

The amendment to FRS 20 (IFRS 2) Vesting conditions and cancellations (mandatory for periods starting on/after 1 January 2009) The amendment clarifies the definition of vesting conditions, introduces the concept of non-vesting conditions, requires non-vesting conditions to be reflected in grant-date fair value and amends the accounting for cancellations and settlements by parties other than the entity

The amendment to FRS 21 Events after the balance sheet date (mandatory for periods starting on/after 1 January 2009) to confirm no obligation exists at the balance sheet date for dividends declared after that date

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

Cash flow statement

Under FRS 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

Related party transactions

As the Company is a wholly owned subsidiary of The Engine Group Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group

Woo Communications Limited

Notes forming part of the financial statements
for the year ended 31 December 2010 (*Continued*)

1 Accounting policies (*Continued*)

Gross Billings, billable costs and revenue

Gross billings represents amounts receivable from clients (exclusive of Value Added Tax) for services provided and comprises fees, commissions and rechargeable expenses incurred on behalf of clients

Revenue comprises turnover, less amounts payable on behalf of clients to external suppliers performing part of the work being provided to the client, and represents fees, commission and mark-up on rechargeable expenses

Billings and revenue reflect the value of work performed during the year by recording turnover and related costs as service activity progresses

Tangible fixed assets

Tangible fixed assets are shown at cost, less depreciation and any provision for impairment

Depreciation is provided to write off the cost, less estimated residual value, of all fixed assets on a straight line basis over their expected useful lives. It is calculated at the following rates

Plant and machinery - 10% to 33 $\frac{1}{3}$ %

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred

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 such taxable profits in the future to absorb the reversal of the underlying timing differences

Deferred tax balances are not discounted

Pension costs

For defined contribution schemes the amount charged in 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

2 Revenue

Revenue and operating profit was derived solely from the company's main activity as the provision of Strategic Brand activation

An analysis of revenue by geographical market is given below

	2010 £	2009 £
United Kingdom	-	1,648,833

Woo Communications Limited

Notes forming part of the financial statements
for the year ended 31 December 2010(Continued)

3 Notes to the profit and loss account

	2010 £	2009 £
Loss on ordinary activities before taxation is stated after charging/(crediting)		
Depreciation of owned fixed assets	-	3,749

In common with all group companies, auditors remuneration in respect of audit and other services is borne by the company's parent, The Engine Group Limited, for both the current and proceeding year. The details of which are disclosed in the accounts of the parent.

4 Employees

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

	Number of employees 2010	2009
Management, client services and administration	-	17

	2010 £	2009 £
Staff costs (including executive directors) consist of		
Wages and salaries	-	935,931
Social security costs	-	112,319
Other pension costs (see note 15)	-	10,773
	-	1,059,023

5 Interest receivable and similar income

	2010 £	2009 £
Interest receivable	-	35

Woo Communications Limited

Notes forming part of the financial statements
for the year ended 31 December 2010 (*Continued*)

6 Tax on profit on ordinary activities

	2010 £	2009 £
a) Analysis of (credit) in the year		
<i>Current tax</i>		
Current tax charge for the year	-	-
Adjustment in respect of prior periods	-	(6,777)
	<hr/>	<hr/>
Total current tax	-	(6,777)
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	513
Adjustment in respect of prior periods	-	(847)
	<hr/>	<hr/>
Total deferred tax	-	(334)
	<hr/>	<hr/>
Total tax (credit) on profit on ordinary activities	-	(7,111)
	<hr/>	<hr/>

b) Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	2010 £	2009 £
(Loss) on ordinary activities before tax	-	(268,601)
	<hr/>	<hr/>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 – 28.5%)	-	(75,208)
Effects of:		
Group relief claimed	-	75,031
Depreciation in excess of capital allowances	-	(449)
Short term timing differences	-	(64)
Permanently disallowable trade amounts	-	-
Adjustment in respect of prior periods	-	-
	<hr/>	<hr/>
Current tax credit for the year	-	(6,777)
	<hr/>	<hr/>

Woo Communications Limited

Notes forming part of the financial statements
for the year ended 31 December 2010 (Continued)

7 Debtors

	2010 £	2009 £
Trade debtors	-	294,104
Amounts owed by group undertakings	-	1,656
Other debtors	-	746
Prepayments and accrued income	-	31,382
	<u>-</u>	<u>327,888</u>

Amounts owed by group undertakings are unsecured, interest-free and repayable on demand All other amounts shown under debtors fall due for payment within one year

8 Deferred taxation

	2010 £	2009 £
The deferred tax asset arises in respect of		
Accelerated capital allowances	-	5,063
Other short term timing differences	-	-
	<u>-</u>	<u>5,063</u>
Balance at 1 January	-	4,729
Credit to profit and loss account	-	334
	<u>-</u>	<u>5,063</u>
Balance at 31 December	-	5,063

9 Creditors' amounts falling due within one year

	2010 £	2009 £
Trade creditors	-	212,017
Amounts owed to group undertakings	859,400	712,127
Taxation and social security	-	45,186
Accruals and deferred income	-	226,636
	<u>859,400</u>	<u>1,195,966</u>

Amounts owed by group undertakings are unsecured, interest-free and repayable on demand

The Company is a member of The Engine Group Limited and participates in the group's banking facility

Woo Communications Limited

Notes forming part of the financial statements
for the year ended 31 December 2010 (*Continued*)

10 Share capital

	2010 £	2009 £
<i>Allotted, called up and fully paid</i>		
1,000 Ordinary shares of £0.01 each	-	10
	<u> </u>	<u> </u>

11 Statement of movement in profit and loss account

	Profit and loss account £
At 1 January 2010	(859,410)
Loss for the year	-
	<u> </u>
At 31 December 2010	(859,410)
	<u> </u>

12 Reconciliation of movement shareholders' funds

	2010 £	2009 £
Loss for the year	-	(261,490)
	<u> </u>	<u> </u>
Net decrease in shareholders' funds	-	(261,490)
Opening shareholders' funds	(859,400)	(597,910)
	<u> </u>	<u> </u>
Closing shareholders' deficit	(859,400)	(859,400)
	<u> </u>	<u> </u>

Woo Communications Limited

**Notes forming part of the financial statements
for the year ended 31 December 2010 (*Continued*)**

13 Contingent liabilities

The company is a member of The Engine Group Limited group and participates in the group's banking facility. In connection therewith, each of the members has given unlimited cross-guarantees in respect of a bank facility of up to £31 million (2008 - £37 million). The directors do not expect any loss to the company to arise in respect of the foregoing guarantees.

14 Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the Company to the scheme and amounted to £Nil (2009 £10,773).

Contributions amounting to £Nil (2010 - £Nil) were payable to the scheme and are included in creditors.

15 Ultimate parent company

At 31 December 2010, the company was a subsidiary undertaking of The Engine Group Limited, which is both the smallest and largest group in which the results of the company are consolidated. The Engine Group Limited is also the ultimate controlling party.

Copies of the consolidated financial statements of The Engine Group Limited are available from their registered office, at 60 Great Portland Street, London, W1W 7RT.