

REGISTERED NUMBER: 06617628 (England and Wales)

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

FOR

DIGITALIS MEDIA LIMITED

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FOR THE YEAR ENDED 31 MARCH 2017**

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DIGITALIS MEDIA LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2017**

DIRECTORS:

D J King
G M Wood

REGISTERED OFFICE:

75 Park Lane
Croydon
Surrey
CR9 1XS

REGISTERED NUMBER:

06617628 (England and Wales)

AUDITORS:

Kings Mill Partnership
Chartered Accountants and Statutory Auditors
75 Park Lane
Croydon
Surrey
CR9 1XS

SOLICITORS:

Quills Solicitors
68 Beverley Road
Barming
Maidstone
Kent
ME16 9JR

BALANCE SHEET
31 MARCH 2017

	Notes	2017		2016	
		£	£	£	£
FIXED ASSETS					
Intangible assets	4		19,601		29,401
Tangible assets	5		249,643		179,186
Investments	6		<u>457,951</u>		<u>457,951</u>
			727,195		666,538
CURRENT ASSETS					
Debtors	7	406,580		238,411	
Cash at bank		<u>199,344</u>		<u>479,675</u>	
		605,924		718,086	
CREDITORS					
Amounts falling due within one year	8	<u>464,986</u>		<u>421,370</u>	
NET CURRENT ASSETS			<u>140,938</u>		<u>296,716</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>868,133</u>		<u>963,254</u>
CAPITAL AND RESERVES					
Called up share capital	9		17,440		17,440
Share premium	10		2,098,786		2,098,786
Retained earnings	10		<u>(1,248,093)</u>		<u>(1,152,972)</u>
SHAREHOLDERS' FUNDS			<u>868,133</u>		<u>963,254</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 20 December 2017 and were signed on its behalf by:

D J King - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. **STATUTORY INFORMATION**

Digitalis Media Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparation

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the invoiced value of goods and services supplied to customers net of value added tax.

Goodwill

Goodwill attaching to the business acquired from an associated unincorporated business has been capitalised under the heading of Intangible Fixed Assets. Goodwill is amortised through the Income Statement over a period not exceeding 10 years, in line with the provisions of FRS 102. This is estimated by the directors to be the useful economic life.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

The cost of fixed assets is their purchase cost, together with any incidental expenses of acquisition. Depreciation is provided so as to write off the cost of tangible fixed assets less their estimated residual values on a straight line basis over the assets estimated economic life. The principal rates used are as follows:

Fixtures and Fittings	- 3 years straight line
Computer Equipment	- 3 years straight line
Software Development	- 3 years straight line

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Consolidated financial statements

The company is exempt from the requirement to prepare consolidated financial statements by virtue of section 383 of the Companies Act 2006 as the group it heads qualifies as a small group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Cash flow statement

The company qualifies as a small company under the Companies Act 2006. The directors have elected to take advantage of the exemption under the FRSSE not to prepare a cash flow statement.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 26 .

4. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 April 2016 and 31 March 2017	<u>98,001</u>
AMORTISATION	
At 1 April 2016	68,600
Charge for year	<u>9,800</u>
At 31 March 2017	<u>78,400</u>
NET BOOK VALUE	
At 31 March 2017	<u>19,601</u>
At 31 March 2016	<u>29,401</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017

5. TANGIBLE FIXED ASSETS

	Software development £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2016	529,225	73,947	174,294	777,466
Additions	<u>189,374</u>	<u>4,530</u>	<u>7,681</u>	<u>201,585</u>
At 31 March 2017	<u>718,599</u>	<u>78,477</u>	<u>181,975</u>	<u>979,051</u>
DEPRECIATION				
At 1 April 2016	386,898	58,839	152,543	598,280
Charge for year	<u>109,720</u>	<u>8,883</u>	<u>12,525</u>	<u>131,128</u>
At 31 March 2017	<u>496,618</u>	<u>67,722</u>	<u>165,068</u>	<u>729,408</u>
NET BOOK VALUE				
At 31 March 2017	<u>221,981</u>	<u>10,755</u>	<u>16,907</u>	<u>249,643</u>
At 31 March 2016	<u>142,327</u>	<u>15,108</u>	<u>21,751</u>	<u>179,186</u>

6. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	2017 £	2016 £
Investment in subsidiaries at cost	<u>457,951</u>	<u>457,951</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Digitalis Response Limited

Registered office:

Nature of business: Trading

Class of shares:	% holding	2017 £	2016 £
Ordinary	100.00		
Aggregate capital and reserves		(515,229)	(545,774)
Profit for the year		<u>30,545</u>	<u>87,183</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017

6. FIXED ASSET INVESTMENTS - continued

Digitalis Reputation Limited

Registered office:

Nature of business: Trading

	%		
Class of shares:	holding	2017	2016
Ordinary	97.00	£	£
Aggregate capital and reserves		296,486	424,845
(Loss)/profit for the year		<u>(128,359)</u>	<u>50,841</u>

Digitalis Retail 1 Limited

Registered office:

Nature of business: Non Trading

	%		
Class of shares:	holding	2017	2016
Ordinary	100.00	£	£
Aggregate capital and reserves		<u>2,688</u>	<u>2,688</u>

Gardeners Heaven Limited

Registered office:

Nature of business: Non Trading

	%		
Class of shares:	holding	2017	2016
Ordinary	55.00	£	£
Aggregate capital and reserves		<u>(3,405)</u>	<u>(3,405)</u>

Digitalis Annuities Limited

Registered office:

Nature of business: Non Trading

	%		
Class of shares:	holding	2017	2016
Ordinary	100.00	£	£
Aggregate capital and reserves		<u>(1,425)</u>	<u>(1,425)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017

6. FIXED ASSET INVESTMENTS - continued

Digitalis Bikes Limited

Registered office:

Nature of business: Non Trading

Class of shares:	% holding	2017	2016
Ordinary	100.00	£	£
Aggregate capital and reserves		<u>(1,425)</u>	<u>(1,425)</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Other debtors	43,438	54,324
Amounts owed by group undertakings	356,688	174,569
Prepayments and accrued income	6,454	9,518
	<u>406,580</u>	<u>238,411</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Corporation tax	1,534	-
Social security and other taxes	97,899	68,658
Other creditors and deferred income	345,860	335,468
Accruals	19,693	17,244
	<u>464,986</u>	<u>421,370</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal	2017	2016
Number:	Class:	value:	£	£
17,440	Ordinary	£1	<u>17,440</u>	<u>17,440</u>

10. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 April 2016	(1,152,972)	2,098,786	945,814
Deficit for the year	<u>(95,121)</u>		<u>(95,121)</u>
At 31 March 2017	<u>(1,248,093)</u>	<u>2,098,786</u>	<u>850,693</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2017

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Paul Taylor FCA (Senior Statutory Auditor)
for and on behalf of Kings Mill Partnership

12. RELATED PARTY DISCLOSURES

During the year, the company recharged costs and overheads amounting to £455,790 (2016 : £431,498) to Digitalis Response Limited, at arms length. The amount due to the company at year end is £575,202 (2016 : £619,041).

During the year, the company recharged costs and overheads amounting to £2,022,254 (2016 : £2,015,147) to its subsidiary company, Digitalis Reputation Limited, also at arms length. The amount due by the company at year end is £220,158 (2016 : £477,608).

The amount due to the company by its subsidiary Digitalis Retail 1 Ltd at year end is £2,631 (2016 : £1,139).

The amount due to the company by its indirect subsidiary company, Digitalis Bikes Limited, at year end is £1,425 (2016 : £1,425).

The amount due to the company by its indirect subsidiary company, Gardeners Heaven Limited, at year end is £1,425 (2016 : £1,425).

The amount due to the company by its indirect subsidiary company, Digitalis Annuities Limited, at year end is £1,425 (2016 : £1,425).

13. FIRST YEAR ADOPTION

The company has adopted FRS 102 for the year ended 31st March 2017 and has restated the comparative prior year amounts.

Explanations of changes for FRS 102 adoption:

(1) Goodwill was previously being written off over a period of 20 years, as was allowed under old UK GAAP. FRS 102 only allows for a maximum of 10 years. As such, goodwill has now been written off over 10 years and transition adjustments made to reflect this;

Transition to FRS 102 - reconciliations

Restated statement of financial position £	Explanation £	31st March 2016	1st April 2015
Original shareholder funds		997,554	770,026
Adjustment to goodwill	1	<u>(34,300)</u>	<u>(29,400)</u>
Restated shareholder funds		<u>963,254</u>	<u>740,626</u>

Transition to FRS 102 - reconciliations

		31st March 2016 £
Original profit for the financial year		103,528
Adjustment to goodwill	1	<u>(4,900)</u>
Restated profit for the financial year		<u>98,628</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.