

**REGISTERED NUMBER: 06617628 (England and Wales)**

**ABBREVIATED AUDITED ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011**

**FOR**

**DIGITALIS MEDIA LIMITED**

WEDNESDAY



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09/05/2012

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COMPANIES HOUSE

**DIGITALIS MEDIA LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2011**

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**DIGITALIS MEDIA LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2011**

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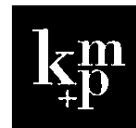
**DIRECTORS:** D J King  
G M Wood

**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



**REPORT OF THE INDEPENDENT AUDITORS TO  
DIGITALIS MEDIA LIMITED  
UNDER SECTION 449 OF THE COMPANIES ACT 2006**

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We have examined the abbreviated accounts set out on pages three to eight, together with the full financial statements of Digitalis Media Limited for the year ended 31 March 2011 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 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.

**Basis of opinion**

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.

Paul Taylor FCA (Senior Statutory Auditor)  
for and on behalf of Kings Mill Partnership  
Chartered Accountants and Statutory Auditors  
75 Park Lane  
Croydon  
Surrey  
CR9 1XS

Date

9th May 2012

**DIGITALIS MEDIA LIMITED**

**ABBREVIATED BALANCE SHEET  
31 MARCH 2011**

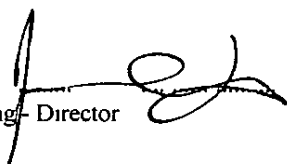
	Notes	2011		2010	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	2		88,201		93,101
Tangible assets	3		175,044		119,032
Investments	4		457,951		918
			<u>721,196</u>		<u>213,051</u>
<b>CURRENT ASSETS</b>					
Debtors		1,063,351		850,643	
Cash at bank		94,491		731,663	
		<u>1,157,842</u>		<u>1,582,306</u>	
<b>CREDITORS</b>					
Amounts falling due within one year		<u>271,155</u>		<u>345,569</u>	
<b>NET CURRENT ASSETS</b>			<u>886,687</u>		<u>1,236,737</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,607,883		1,449,788
<b>CREDITORS</b>					
Amounts falling due after more than one year			<u>834,250</u>		<u>559,350</u>
<b>NET ASSETS</b>			<u><u>773,633</u></u>		<u><u>890,438</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	5		12,854		11,437
Share premium			1,450,952		1,180,428
Profit and loss account			(690,173)		(301,427)
<b>SHAREHOLDERS' FUNDS</b>			<u><u>773,633</u></u>		<u><u>890,438</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the Board of Directors on  
on its behalf by

8<sup>th</sup> May 12 and were signed

D J King - Director



The notes on pages 4 to 8 form part of these abbreviated accounts

**DIGITALIS MEDIA LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2011**

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**1 ACCOUNTING POLICIES**

**Basis of preparation**

The company relies on its shareholders' for continued financial support which has been provided by unsecured convertible loan notes of £684,250 at the balance sheet date. The shareholders' have indicated that they will provide financial support for at least the next twelve months.

Profit and cash flow forecasts have been prepared which show the company trading at a loss for the coming year, which is supported by the current monthly management accounts. After this date, the profit and cash flow forecasts indicate that the company will be trading profitably.

Having assessed the company's financial position, alongside the budgets and cash flow forecasts, the directors believe it appropriate to prepare the financial statements on a going concern basis. The assumption is dependent on the support of the shareholders'. The directors have taken steps to assure themselves that the support of the shareholders' will not be withdrawn over the twelve month period from the date of signing these financial statements.

**Accounting convention**

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).

**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. The directors have undertaken an impairment review of the goodwill in the light of the FRSSE, taking account of future cash flows and the current operating result. Goodwill is amortised through the Profit and Loss Account over a period not exceeding 20 years, estimated by the directors to be the useful economic life.

**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

**Deferred tax**

Deferred tax is provided using the liability method in respect of all material timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are recognised where it is considered more likely than not that future profits will be available for offset. The company has not adopted a policy of discounting deferred tax assets and liabilities.

**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.

**DIGITALIS MEDIA LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 MARCH 2011**

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**1 ACCOUNTING POLICIES - continued**

**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.

**2 INTANGIBLE FIXED ASSETS**

	Total £
<b>COST</b>	
At 1 April 2010 and 31 March 2011	98,001
<b>AMORTISATION</b>	
At 1 April 2010	4,900
Charge for year	4,900
At 31 March 2011	9,800
<b>NET BOOK VALUE</b>	
At 31 March 2011	88,201
At 31 March 2010	93,101

**3 TANGIBLE FIXED ASSETS**

	Total £
<b>COST</b>	
At 1 April 2010	132,308
Additions	125,738
At 31 March 2011	258,046
<b>DEPRECIATION</b>	
At 1 April 2010	13,276
Charge for year	69,726
At 31 March 2011	83,002
<b>NET BOOK VALUE</b>	
At 31 March 2011	175,044
At 31 March 2010	119,032

**DIGITALIS MEDIA LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 MARCH 2011**

**4 FIXED ASSET INVESTMENTS**

Investments (neither listed nor unlisted) were as follows

	2011 £	2010 £
Investment in subsidiary at cost	457,951	918

The company's investments at the balance sheet date in the share capital of companies include the following

**Digitalis Response Limited**

Nature of business Trading

	%		
Class of shares	holding	2011	2010
Ordinary	97 00	£	£
Aggregate capital and reserves		(496,907)	(115,671)
Loss for the year		(381,236)	(115,771)

**Digitalis Reputation Limited**

Nature of business Trading

	%		
Class of shares	holding	2011	2010
Ordinary	97 00	£	£
Aggregate capital and reserves		503,197	(211,338)
Profit/(Loss) for the year		264,535	(212,338)

**Digitalis Retail 1 Limited**

Nature of business Trading

	%		
Class of shares	holding	2011	2010
Ordinary	100 00	£	£
Aggregate capital and reserves		(516,793)	(241,391)
Loss for the year		(275,402)	(241,392)



**DIGITALIS MEDIA LIMITED**

**NOTES TO THE ABBREVIATED ACCOUNTS - continued  
FOR THE YEAR ENDED 31 MARCH 2011**

**4 FIXED ASSET INVESTMENTS - continued**

**Gardeners Heaven Limited**

Nature of business Trading

	%		
Class of shares	holding	2011	2010
Ordinary	55 00	£	£
Aggregate capital and reserves		(178,581)	(72,782)
Loss for the year		<u>(105,799)</u>	<u>(72,882)</u>

**Digitalis Annuities Limited**

Nature of business Trading

	%		
Class of shares	holding	2011	2010
Ordinary	100 00	£	£
Aggregate capital and reserves		(6,052)	1
Loss for the year		<u>(6,053)</u>	<u>-</u>

**Digitalis Bikes Limited**

Nature of business Trading

	%		
Class of shares	holding	2011	
Ordinary	100 00	£	
Aggregate capital and reserves		(6,330)	
Loss for the year		<u>(6,331)</u>	

**5 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid			2011	2010
Number	Class	Nominal value	£	£
12,854	Ordinary	£1	<u>12,854</u>	<u>11,437</u>

On 31st January 2011, the company issued 1,417 Ordinary shares, all of which were issued at a premium of £199 per share

## DIGITALIS MEDIA LIMITED

### NOTES TO THE ABBREVIATED ACCOUNTS - continued FOR THE YEAR ENDED 31 MARCH 2011

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#### 6 RELATED PARTY DISCLOSURES

During the year, the company recharged sales amounting to £736,127 (2010 £660,644) to its subsidiary company, Digitalis Response Limited at arms length. The company also recharged costs and overheads amounting to £1,116,088 (2010 £774,990) to Digitalis Response Limited, also at arms length. The amount due to the company at year end is £542,772 (2010 £298,127).

During the year, the company recharged sales amounting to £686,623 (2010 £95,681) to its subsidiary company, Digitalis Reputation Limited at arms length. The company also recharged costs and overheads amounting to £654,192 (2010 £306,594) to Digitalis Reputation Limited, also at arms length, within this includes licence fees of £250,000 deferred over 5 years. The amount due to the company at year end is £207,323 (2010 £216,641).

During the year, the company recharged costs and overheads amounting to £296,962 (2010 £254,787) to its subsidiary company, Digitalis Retail 1 Limited at arms length. The amount due to the company at year end is £644,482 (2010 £259,796).

During the year, the company recharged sales amounting to £125,326 (2010 £17,689) to its indirect subsidiary company, Gardeners Heaven Limited at arms length. The company also recharged costs and overheads amounting to £148,081 (2010 £61,321) to Gardeners Heaven Limited, also at arms length. The amount due to the company at year end is £65,850 (2010 £50,097).

During the year, the company recharged costs and overheads amounting to £300 to its indirect subsidiary company, Digitalis Annuities 1 Limited at arms length. The amount due to the company at year end is £300.

During the year, the company recharged sales amounting to £7,283 to its indirect subsidiary company, Digitalis Bikes Limited at arms length. The company also recharged costs and overheads amounting to £1) to £8,770, Digitalis Bikes Limited, also at arms length. The amount due to the company at year end is £3,022.