

**Registration number 05405588**

**DIGITAL ADDITIONS LIMITED**

**Directors' report and financial statements**  
**for the year ended 30 September 2006**

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## **DIGITAL ADDITIONS LIMITED**

### **Company information**

<b>Directors</b>	SONIA TURNBULL
<b>Secretary</b>	MRS TRACY FRANCISCHELLI
<b>Company number</b>	05405588
<b>Registered office</b>	143, GREEN DRAGON LANE WINCHMORE HILL LONDON N21 1EU
<b>Business address</b>	LAVINIA LODGE STRAYFIELD ROAD ENFIELD MIDDX EN2 9JF

# **DIGITAL ADDITIONS LIMITED**

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# **DIGITAL ADDITIONS LIMITED**

## **Directors' report for the year ended 30 September 2006**

The directors present their report and the financial statements for the year ended 30 September 2006.

### **Incorporation and change of name**

The company was incorporated on 1 October 2005 as DIGITAL ADDITIONS LIMITED. The company commenced trade on .

### **Principal activity**

The principal activity of the company is the wholesale and retail of computer and mobile phone accessories.

### **Directors and their interests**

The directors who served during the year and their interests in the company are as stated below.

	<b>Class of share</b>	<b>30/09/06</b>	<b>01/10/05</b>
SONIA TURNBULL	Ordinary shares	99	99

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Board on 16 May 2007 and signed on its behalf by

✓  ✓  
**MRS. TRACY FRANCISCHELLI**  
Secretary

**DIGITAL ADDITIONS LIMITED**

**Accountants' report on the unaudited financial statements to the directors of  
DIGITAL ADDITIONS LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 30 September 2006 set out on pages 3 to 9 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.

**Date: 9 May 2007**

# DIGITAL ADDITIONS LIMITED

## Profit and loss account for the year ended 30 September 2006

		Period ended
	Notes	£
Turnover	2	187,204
Cost of sales		(97,328)
Gross profit		<u>89,876</u>
Administrative expenses		<u>(87,928)</u>
Profit on ordinary activities before taxation		1,948
Tax on profit on ordinary activities	5	<u>(195)</u>
Profit on ordinary activities after taxation		<u>1,753</u>
Retained profit for the year		<u><u>1,753</u></u>

The notes on pages 7 to 9 form an integral part of these financial statements.

**DIGITAL ADDITIONS LIMITED**

**Balance sheet  
as at 30 September 2006**

	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Intangible assets	<b>6</b>		10,000
Tangible assets	<b>7</b>		20,390
			<u>30,390</u>
<b>Current assets</b>			
Stocks		53,181	
Cash at bank and in hand		11,120	
		<u>64,301</u>	
<b>Creditors: amounts falling due within one year</b>	<b>8</b>	<u>(92,838)</u>	
<b>Net current liabilities</b>			<u>(28,537)</u>
<b>Net assets</b>			<u>1,853</u>
<b>Capital and reserves</b>			
Called up share capital	<b>9</b>		100
Profit and loss account			<u>1,753</u>
<b>Shareholders' funds</b>			<u>1,853</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet

**The notes on pages 7 to 9 form an integral part of these financial statements.**

**DIGITAL ADDITIONS LIMITED**

**Balance sheet (continued)**

**Directors' statements required by Section 249B(4)  
for the year ended 30 September 2006**

In approving these financial statements as directors of the company we hereby confirm

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ,

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 30 September 2006 and

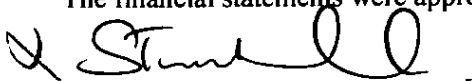
(c) that we acknowledge our responsibilities for

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002)

The financial statements were approved by the Board on 16 May 2007 and signed on its behalf by



**SONIA TURNBULL**  
Director



**The notes on pages 7 to 9 form an integral part of these financial statements.**



# DIGITAL ADDITIONS LIMITED

## Cash flow statement for the year ended 30 September 2006

	Period ended	
	£	£
<b>Cash generated from operations</b>		
Operating profit	1,948	
Reconciliation to cash generated from operations		
Depreciation	6,796	
(Increase) in stocks	(53,181)	
Increase in trade creditors	28,863	
Increase in other creditors	63,778	
		48,204
<b>Cash from other sources</b>		
Issue of shares for cash	100	
		100
<b>Application of cash</b>		
Purchase of intangible fixed assets	(10,000)	
Purchase of tangible fixed assets	(28,988)	
		(38,988)
<b>Net increase in cash in the year</b>		9,316
Consisting of		
Cash at bank and in hand		11,120
Overdrafts		(2)
		11,118

# DIGITAL ADDITIONS LIMITED

## Notes to the financial statements for the year ended 30 September 2006

### 1. Accounting policies

#### 1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002)

#### 1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

#### 1.3. Goodwill

#### 1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Plant and machinery	-
Fixtures, fittings and equipment	- 25% straight line

#### 1.5. Stock

Stock is valued at the lower of cost and net realisable value

#### 1.6. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise

### 2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK

### 3. Operating profit

Operating profit is stated after charging

Depreciation and other amounts written off tangible assets

Auditors' remuneration

Period  
ended

£

6,796

1,000

# **DIGITAL ADDITIONS LIMITED**

## **Notes to the financial statements for the year ended 30 September 2006**

. . . . continued

### **4. Directors' emoluments**

	<b>Period ended</b>
	<b>£</b>
Remuneration and other benefits	<u>4,784</u>

### **5. Tax on profit on ordinary activities**

	<b>Period ended</b>
	<b>£</b>
<b>Analysis of charge in period</b>	
<b>Current tax</b>	
UK corporation tax	<u>195</u>

### **6. Intangible fixed assets**

	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost</b>		
Additions	<u>10,000</u>	<u>10,000</u>
At 30 September 2006	<u>10,000</u>	<u>10,000</u>
<b>Net book value</b>		
At 30 September 2006	<u>10,000</u>	<u>10,000</u>

# DIGITAL ADDITIONS LIMITED

## Notes to the financial statements for the year ended 30 September 2006

continued

7. Tangible fixed assets	Plant and machinery £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>			
Additions	7,188	21,800	28,988
At 30 September 2006	<u>7,188</u>	<u>21,800</u>	<u>28,988</u>
<b>Depreciation</b>			
At 1 October 2005	1,802	-	1,802
Charge for the year	1,346	5,450	6,796
At 30 September 2006	<u>3,148</u>	<u>5,450</u>	<u>8,598</u>
<b>Net book value</b>			
At 30 September 2006	<u>4,040</u>	<u>16,350</u>	<u>20,390</u>
At 30 September 2005	<u>(1,802)</u>	<u>-</u>	<u>(1,802)</u>

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8. Creditors: amounts falling due within one year	£
Bank overdraft	2
Trade creditors	28,863
Corporation tax	195
Other taxes and social security costs	5,114
Directors' accounts	57,864
Accruals and deferred income	800
	<u>92,838</u>
9. Share capital	£
Allotted, called up and fully paid	<u></u>

# DIGITAL ADDITIONS LIMITED

## Detailed trading and profit and loss account for the year ended 30 September 2006

	Period ended	
	£	£
<b>Sales</b>		
Sales-UK		160,372
Sales-EU		15,694
Sales-International		11,138
		<u>187,204</u>
<b>Cost of sales</b>		
Purchases	149,144	
Shipping Costs	1,365	
Closing stock	<u>(53,181)</u>	
		<u>(97,328)</u>
<b>Gross profit</b>	48%	89,876
<b>Administrative expenses</b>	<u>87,928</u>	
		<u>(87,928)</u>
<b>Operating profit</b>	1%	<u>1,948</u>

## DIGITAL ADDITIONS LIMITED

### Administrative expenses for the year ended 30 September 2006

	Period ended
	£
<b>Administrative expenses</b>	
Wages and salaries	24,003
Directors' remuneration	4,784
Use of premises	1,040
Storage Fees	803
Insurance	843
Cleaning	150
Repairs and maintenance	2,073
Printing, postage and stationery	9,406
Advertising	10,305
Telephone	1,875
Computer costs	5,918
Hire of equipment	21
Motor expenses	2,906
Travelling and entertainment	6,697
Accountancy	2,393
Bookkeeping Fees	1,000
Bank charges	6,199
Bad debts	80
General expenses	236
Subscriptions	300
Formation expenses	100
Depreciation on plant and machinery	1,346
Depreciation on fixtures & equipment	5,450
	<hr/>
	87,928
	<hr/>