

**Registration number 05405588**

**DIGITAL ADDITIONS LIMITED**

**Directors' report and financial statements**

**for the year ended 30 September 2008**

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## **DIGITAL ADDITIONS LIMITED**

### **Company information**

Directors	SONIA TURNBULL
Secretary	MRS.TRACY FRANCISCHELLI
Company number	05405588
Registered office	18,ELSTREE ROAD BUSHEY HEATH HERTS WD23 4GG
Accountants	M.BLAIBERG FCPA,FSPA 18,ELSTREE ROAD BUSHEY HEATH HERTS WD23 4GG
Business address	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 2008**

The directors present their report and the financial statements for the year ended 30 September 2008.

**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>30/09/08</b>	<b>01/10/07</b>
SONIA TURNBULL	Ordinary shares	99	99

**Charitable and political contributions**

During the year the company contributed £297 to charities.

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 7 April 2009 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 2008 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.

**M.BLAIBERG FCPA,FSPA  
Certified Public Accountant  
18,ELSTREE ROAD  
BUSHEY HEATH  
HERTS WD23 4GG**

**Date: 24 March 2009**

# DIGITAL ADDITIONS LIMITED

## Profit and loss account for the year ended 30 September 2008

		2008	2007
	Notes	£	£
<b>Turnover</b>	<b>2</b>	112,668	139,925
Cost of sales		(35,985)	(44,684)
<b>Gross profit</b>		<u>76,683</u>	<u>95,241</u>
Administrative expenses		(77,626)	(92,178)
<b>(Loss)/profit on ordinary activities before taxation</b>		(943)	3,063
Tax on (loss)/profit on ordinary activities <b>5</b>		<u>189</u>	<u>(597)</u>
<b>(Loss)/profit on ordinary activities after taxation</b>		<u>(754)</u>	<u>2,466</u>
<b>(Loss)/retained profit for the year</b>		(754)	2,466
Retained profit brought forward		<u>4,219</u>	<u>1,753</u>
<b>Retained profit carried forward</b>		<u><u>3,465</u></u>	<u><u>4,219</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 2008

		2008		2007	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	6		10,000		10,000
Tangible assets	7		11,468		15,292
			<u>21,468</u>		<u>25,292</u>
<b>Current assets</b>					
Stocks		56,160		42,500	
Debtors	8	1,143		9,944	
Cash at bank and in hand		2,300		7,436	
		<u>59,603</u>		<u>59,880</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(77,506)</u>		<u>(80,853)</u>	
<b>Net current liabilities</b>			<u>(17,903)</u>		<u>(20,973)</u>
<b>Net assets</b>			<u>3,565</u>		<u>4,319</u>
<b>Capital and reserves</b>					
Called up share capital	10		100		100
Profit and loss account			3,465		4,219
<b>Shareholders' funds</b>			<u>3,565</u>		<u>4,319</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 2008**

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 2008 and

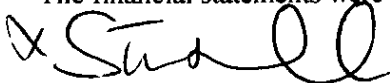
(c) that we acknowledge our responsibilities for:

(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 7 April 2009 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 2008

	2008		2007	
	£	£	£	£
<b>Cash generated from operations</b>				
Operating (loss)/profit	(943)		3,063	
Reconciliation to cash generated from operations:				
Depreciation	3,824		5,098	
(Increase) in stocks	(13,660)		10,681	
Decrease in trade debtors	8,801		(9,944)	
(Decrease) in trade creditors	(263)		(28,321)	
Increase in other creditors	7,263		6,375	
		5,022		(13,048)
<b>Net increase in cash in the year</b>		5,022		(13,048)
Cash at bank and in hand less overdrafts at beginning of year		(1,931)		11,118
<b>Cash at bank and in hand less overdrafts at end of year</b>		3,091		(1,930)
<small>FAILED VALIDATION</small>				
Consisting of:				
Cash at bank and in hand		2,300		7,436
Overdrafts		-		(9,367)
		2,300		(1,931)

# DIGITAL ADDITIONS LIMITED

## Notes to the financial statements for the year ended 30 September 2008

### 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.

#### 1.7. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

### 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 (loss)/profit

	2008	2007
	£	£
Operating (loss)/profit is stated after charging:		
Depreciation and other amounts written off tangible assets	3,824	5,098
Auditors' remuneration	1,363	1,351

# **DIGITAL ADDITIONS LIMITED**

## **Notes to the financial statements for the year ended 30 September 2008**

..... continued

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

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Remuneration and other benefits	<u>5,630</u>	<u>5,200</u>

### **5. Tax on (loss)/profit on ordinary activities**

<b>Analysis of charge in period</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax	-	597
Adjustments in respect of previous periods	(189)	-
	<u>(189)</u>	<u>597</u>

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

	<b>Goodwill</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 October 2007	<u>10,000</u>	<u>10,000</u>
At 30 September 2008	<u>10,000</u>	<u>10,000</u>
<b>Net book values</b>		
At 30 September 2008	<u>10,000</u>	<u>10,000</u>
At 30 September 2007	<u>10,000</u>	<u>10,000</u>

# DIGITAL ADDITIONS LIMITED

## Notes to the financial statements for the year ended 30 September 2008

..... continued

7. Tangible fixed assets	Plant and machinery		Fixtures, fittings and equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 October 2007	7,188	21,800		28,988
At 30 September 2008	7,188	21,800		28,988
<b>Depreciation</b>				
At 1 October 2007	4,158	9,538		13,696
Charge for the year	758	3,066		3,824
At 30 September 2008	4,916	12,604		17,520
<b>Net book values</b>				
At 30 September 2008	2,272	9,196		11,468
At 30 September 2007	3,030	12,262		15,292

8. Debtors	2008	2007
	£	£
Trade debtors	1,143	9,944

9. Creditors: amounts falling due within one year	2008	2007
	£	£
Bank overdraft	-	9,367
Trade creditors	279	542
Corporation tax	(189)	791
Other taxes and social security costs	5,845	6,449
Directors' accounts	70,691	62,864
Accruals and deferred income	880	840
	77,506	80,853

10. Share capital	2008	2007
	£	£
Allotted, called up and fully paid		

**DIGITAL ADDITIONS LIMITED**

**The following pages do not form part of the statutory accounts.**

# DIGITAL ADDITIONS LIMITED

## Detailed trading and profit and loss account for the year ended 30 September 2008

	2008		2007	
	£	£	£	£
<b>Sales</b>				
Sales-UK		90,888		121,785
Sales-EU		16,407		12,291
Sales-International		5,373		5,849
		<u>112,668</u>		<u>139,925</u>
<b>Cost of sales</b>				
Opening stock	42,500		53,181	
Purchases	27,716		28,822	
Shipping Costs	1,503		1,603	
Commissions payable	20,426		3,578	
	<u>92,145</u>		<u>87,184</u>	
Closing stock	(56,160)		(42,500)	
		<u>(35,985)</u>		<u>(44,684)</u>
<b>Gross profit</b>	68%	76,683	68%	95,241
<b>Administrative expenses</b>		<u>77,626</u>		<u>92,178</u>
		<u>(77,626)</u>		<u>(92,178)</u>
<b>Operating (loss)/profit</b>	1%	<u>(943)</u>	2%	<u>3,063</u>

# DIGITAL ADDITIONS LIMITED

## Administrative expenses for the year ended 30 September 2008

	2008	2007
	£	£
<b>Administrative expenses</b>		
Wages and salaries	23,259	25,580
Directors' remuneration	5,630	5,200
Use of premises	-	178
Storage Fees	1,216	1,118
Security Charges	536	1,351
Insurance	-	876
Cleaning	21	37
Repairs and maintenance	974	9,736
Service charge payable	404	-
Printing, postage and stationery	17,536	16,943
Advertising	3,792	3,479
Telephone	1,016	1,169
Computer costs	7,108	5,737
Hire of equipment	-	90
Motor expenses	1,840	2,007
Parking Etc.	217	380
Travelling and entertainment	1,225	6,002
Legal and professional	73	870
Accountancy	1,000	840
Bookkeeping Fees	1,363	1,351
Bank charges	5,303	2,576
Credit card charges	402	32
Bad debts and Refunds	226	237
Profit/loss on exchange	2	370
Canteen	-	51
General expenses	81	629
Charitable donations - other	297	42
Subscriptions	281	199
Depreciation on plant and machinery	758	1,010
Depreciation on fixtures & equipment	3,066	4,088
	<u>77,626</u>	<u>92,178</u>