Registration number 03904195

Vela Technologies PLC (formerly Asia Digital Holdings PLC)

Annual Report and Accounts 2013

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chairman's statement

I am pleased to welcome you to this my first statement as your new Chairman, covering the Company's year ended 30 June 2013.

The period under review has two distinct periods, the first culminating in the Company Voluntary Arrangement and winding up of legacy investments. The second period breathed new life into the company with a new company name, receipt of £300,000 from the first of two fund raisings, the appointment of two new directors and advisors and finally the purchase of two investments after the year end.

I do not propose to dwell on the CVA as this has been well documented in previous announcements and circulars to shareholders but will spend time on our new endeavour! (further details on page 7).

The business also disposed of its investments in DGM India, and some of the previously impaired inter company receivables with other former investments was realised as a result of the sale of assets prior to these businesses being wound up.

The Board was strengthened earlier this year with the appointment of myself and colleague Antony Laiker. In March 2013 Adrian Moss stepped down from the Board and we thank him for his contribution during the transition period.

A capital reduction approved by shareholders on 11 July 2013 was confirmed by the High Court and became effective on 1 August 2013, writing off the entire accumulated deficit on the Company's profit and loss account. This was followed by a further placing raising £300,000 and receipt of an additional £25,000 in respect of an earlier conditional placing to Adrian Moss, to provide funding to evaluate and make new investments.

Between the year-end and the date of this report the Company made two investments for a total consideration of £325,000, of which £125,000 was settled by the issue of new ordinary shares; further investments are under active consideration.

Our first investment was the acquisition for £250,000 of 262,090 shares in Disruptive Tech Ltd (formerly eSeekers Ltd which following a corporate restructuring will become an interest of 0.63 per cent in Disruptive Tech Limited. Disruptive Tech manages investments in a number of technology enterprises including: Interest Labs which enables high quality connections between brands and consumers; Netkan which delivers on line gaming products; VNU Capital LLC a direct retailer of consumer products via ecommerce and high yield consumer credit solutions; and Freeformers which helps global companies understand and leverage technology.

For our second investment we invested £75,000 for a 6.25% interest in Advance Laser Imaging Limited a recently established company which uses laser scanning hardware and software applications to produce 360 degree 3D images and models. There are many applications of this specialist technology in both private and public sectors including the Military, property development and the Police to name but a few.

Further particulars of these investments can be viewed on the Company's website. Following the investment in Advance Laser Imaging, the Company has implemented its investing policy for the purposes of AIM Rule 15.

Your company is now in a position to move forward and your Board is confident of taking it forward in a positive manner during the current year, through the making of carefully considered investments.

I would like to close by thanking our shareholders and advisers who have contributed to giving the company a new and hopefully profitable lease of life.

Nigel Brent Fitzpatrick MBE

Chairman

directors and advisers

Nigel Brent Fitzpatrick MBE
Chairman
Mr Fitzpatrick has over 20 years' experience as a corporate finance consultant. In the last 15 years he has been instrumental in advising a number of companies on their acquisitions, funding and subsequent flotations. Mr Fitzpatrick was Chairman of Global Marine Energy PLC, a listed oil services Company. He is currently Chairman of RiskAlliance Group Ltd, Halcyon Oil & Gas Limited and Aboyne-Clyde Rubber Estates of Ceylon Limited. He is a member of the Audit Committee Institute. In the Queen's Birthday Honours List 2012, Mr Fitzpatrick was awarded an MBE for services to education.

Antony Jon Laiker
Director
Mr Laiker has over 32 years of experience as a stockbroker, the last 22 years of which have been largely focused on managing assets and advising a wide range of clients on UK equities as well as assisting companies to raise funds. He is a member of the Chartered Institute for Securities and Investment.

Directors
Nigel Brent Fitzpatrick MBE
Chairman

Antony Jon Laiker
Director

Registered office
7 Granard Business Centre
Bunns Lane
Mill Hill
London NW7 2DQ

Nominated adviser
ZAI Corporate Finance Limited
1 Hobhouse Court
Suffolk Street
London SW1Y 4HH

Broker
Peterhouse Corporate Finance Limited
31 Lombard Street
London EC3V 9BQ

Registrars
Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

Accountants
Bailey Wilson
47 Baildon Mills
Northgate
Baildon BD17 6JX

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Grant Thornton UK LLP
Grant Thornton House
The Explorer Building
Fleming Way
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Solicitors
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3 Dorset Rise
London EC4Y 8EN

Bankers
Barclays Bank plc
27 Soho Square
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corporate governance
for the year ended 31 March 2013

The Company is committed to applying the highest principles of corporate governance commensurate with its size.

Compliance

As the Company is listed on AIM, it is not required to comply with the provisions set out in the UK Corporate Governance Code issued by Financial Reporting Council, nor is it required to comment on its compliance with such provisions.

However, the following information is provided, which describes how the principles of corporate governance are applied by the Company.

Directors

The Company supports the concept of an effective Board leading and controlling the Company. The Board is responsible for approving Company policy and strategy and meets regularly. Executive management supplies the Board with appropriate and timely information and the Directors are free to seek any further information they consider necessary. All Directors have access to advice from the Company Secretary and independent professionals at the Company's expense. Training is available for new Directors and other Directors as necessary.

The Board consists of two Directors, who bring a breadth of experience and knowledge.

The Chairman of the Board is Brent Fitzpatrick. The Board members are described on page 2 to the financial statements. All Directors are subject to re-election every three years and at the first Annual General Meeting (AGM) after their appointment. The Board has not appointed a Nomination Committee.

Relations with shareholders

The Company values the views of its shareholders and recognises their interest in the Company's strategy and performance, Board membership and quality of management. It therefore holds regular meetings with its institutional shareholders to discuss objectives.

The AGM is used to communicate with investors and they are encouraged to participate. The Chairman is available to answer questions. Separate resolutions are proposed on each issue so that they can be given proper consideration and there is a resolution to approve the annual report and accounts. The Company counts all proxy votes and will indicate the level of proxies lodged on each resolution after it has been dealt with by a show of hands.

Accountability and audit

The Board presents a balanced and understandable assessment of the Company's position and prospects in all interim and price-sensitive reports and reports to regulators, as well as in the information required to be presented by statutory requirements.

The Company does not require a separate committee and as such the board as a whole reviews the independence and objectivity of the external auditor. This includes reviewing the nature and extent of non-audit services supplied by the external auditor to the Company, seeking to balance objectivity and value for money.

Internal controls

The Board is responsible for maintaining a sound system of internal controls to safeguard both the shareholders' investment and the Company's assets.

The Board has reviewed its risk management framework to identify areas where procedures need to be changed or installed.

The Board has considered the need for an internal audit function but has decided that the size of the Company does not justify this at present. However, it will keep the decision under review. The Board has reviewed the operation and effectiveness of the Company's system of internal control for the financial period and the period up to the date of approval of the financial statements.

The Directors are responsible for the Company's system of internal control and reviewing its effectiveness. The system of internal control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

The key features of the Company's system of internal control are as follows:

Steps taken to ensure an appropriate control environment

The Board has put into place a management structure with clearly defined responsibilities for internal financial control.

Process used to identify major business risks and to evaluate their financial implications

The identification of major business risks is carried out in conjunction with operational management and steps are taken to mitigate or manage these risks where possible.

Major information systems that are in place

There are comprehensive financial management reporting systems in place, which involve the preparation of detailed annual budgets by the Company and longer-term financial forecasting. The budgets are generated by the responsible member of the management team and passed to the Board for approval. The Board monitors performance against budget on a regular basis.

Main control procedures which address the financial implications of the major business risks

The Company maintains financial controls and procedures appropriate to the business environment conforming to overall standards and guidelines, which are set by the Board.

Monitoring system the Board uses to check the system is operating effectively

The external auditors review the control procedures to the extent necessary for expressing their audit opinion and report on any weakness arising during the course of their audit work. The Board has reviewed the operation and effectiveness of the Company's system of internal financial control for the financial period and for the period up to the date of the approval of these financial statements.

Going concern

After making appropriate enquiries (described in page 12 of the financial statements), the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future (in accordance with the Report of the Directors). For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Nigel Brent Fitzpatrick MBE
Chairman

report on remuneration

for the year ended 31 March 2013

Directors' remuneration

The Board recognises that Directors' remuneration is of legitimate concern to shareholders and is committed to following current best practice. The Company operates within a competitive environment and its performance depends on the individual contributions of the Directors and employees. It believes in rewarding vision and innovation. The Board has decided to present this remuneration report for shareholder approval.

Policy on Executive Directors' remuneration

The policy of the Board is to provide an executive remuneration package designed to attract, motivate and retain Directors of the calibre necessary to maintain the Company's position and to reward them for enhancing shareholder value and return. It aims to provide sufficient levels of remuneration to do this but to avoid paying more than is necessary. The remuneration should also reflect the Directors' responsibilities and include incentives to deliver the Company's objectives. The notice period for termination of the Executive Director's service contract is 12 months.

As the Company is in the early stages of building an investment portfolio the Company has elected not to have a separate remuneration committee. The Board as a whole will instead review the scale and structure of Directors' fees, taking into account the interests of shareholders and the performance of the Company.

Main elements of executive remuneration

There are four proposed elements of the Executive Director's remuneration package:

i. fees;

ii. annual bonus payments;

iii. share-based payments; and

iv. pension contributions.

Fees

The Executive Director's basic salary is reviewed by the Board. In deciding upon appropriate levels of remuneration, the Board believes that the Company should offer average levels of base pay reflecting individual responsibilities compared to similar jobs in comparable companies, as well as internal factors such as performance.

Annual bonus payments

The Committee establishes the objectives which must be met for a bonus to be paid. A performance related award scheme incorporating audited earnings per share, share price performance and Company profitability has been established which recognises the success of the business for which the Executive Director is responsible. Bonus payments are non-pensionable.

Share-based payments

The Directors' interest in the shares of the Company are detailed in notes 4 and 12 to the financial statements.

Pension contributions

All pension entitlements for the Directors are disclosed in note 4 to the financial statements.

Non-Executive Directors

The Board as a whole determines the remuneration of the Non-Executive Directors. Non-Executive Directors do not have contracts of service but letters of appointment.

report on remuneration

for the year ended 31 March 2013

Details of Directors' remuneration

This report should be read in conjunction with notes 4 and 12 to the financial statements, which also form part of this report. Full details of all elements of the remuneration package of each Director are given in note 4 to the financial statements, together with details of Directors' share interests.

Nigel Brent Fitzpatrick MBE
Chairman

report of the directors

for the year ended 31 March 2013

The Directors present their report together with the financial statements for the year ended 31 March 2013.

Principal activity

The Company became an investment Company in 2012 following the disposal and closure of its then existing operations. The Company's focus will be predominantly, but not restricted to, searching for companies which are based in the UK or Europe where there may be a number of opportunities to acquire interests in undervalued or pre-commercialisation technologies.

Business review

A review of the business during the period and an indication of likely future developments are found in the Chairman's statement.

The profit for the financial year after taxation amounted to £95,000 (15 months to 31 March 2012 : £287,000 loss). In view of the historic losses and the lack of distributable reserves, the Directors cannot recommend a payment of a dividend.

Future developments

An indication of likely future developments is found in the Chairman's statement in pages 1.

Key performance indicators (KPIs)

Measuring performance is integral to the next phase of our strategic growth. Management has selected KPIs to benchmark to the Company's progress. Management considers that going forward, investment income and profit before tax as KPIs in measuring Company performance.

Key trading risks and uncertainties

- the Company's previous investments were affected by general economic downturns. Forward-looking indicators were regularly reviewed to identify deteriorating market conditions. The cost base was reviewed regularly and there was a management structure in place to enable a rapid response to changing circumstances;
- the Company was affected by liquidity, currency and credit risks. Financial risks were managed at Company level as set out in note 17 to the financial statements; and

In July 2012, the Company disposed of its active trading operations. This followed a decision by the Board, which was subsequently approved by shareholders, to dispose or close all operations. The Company is now considered an investing Company and a new investment policy was approved by shareholders at a general meeting held in January 2013 which the Company has now implemented for the purposes of AIM rule 15.

In order to increase the Company's ability to make further investments, additional long term funding may be sought.

Directors

The Directors of the Company and their interests in the shares of the Company at the start of the period, or when appointed, and at the end of the period, or on resignation, are set out in note 4 to the financial statements.

In accordance with the terms of the Company's Articles of Association, both Nigel Brent Fitzpatrick and Antony Jon Laiker will retire and will offer themselves for re-election at the AGM.

The Directors who served during the period under review are:

N B Fitzpatrick (appointed 18 January 2013)

A Laiker (appointed 24 January 2013)

A Moss (resigned 5 March 2013)

K Lassman (resigned 18 January 2013)

D Lees (resigned 18 January 2013)

report of the directors

for the year ended 31 March 2013

Company voluntary arrangement

On 14th January 2013 the Company's creditors and members approved a company voluntary arrangement ("CVA") proposed by the previous directors of the Company who resigned on 18th January 2013. Since this approval the Joint Supervisors have established all claims and despatched payments in respect of valid claims at the rate set in approved arrangement being 17 pence in the pound before administrators costs. The first and final dividend was paid on 29 April 2013 at a rate of 15.96 pence in the pound. The CVA was successfully completed on 29 August 2013, having been approved by creditor quorum in Jan 2013.

In Dec 2012 new investors conditionally subscribed for a number of ordinary shares, which generated substantial funds into the Company. Net funds receivable of some £280,000 allowed £99,189 to be used for the benefit of the CVA creditors, with the balance to be used to allow the Company to fulfil its new investing policy.

Payment policy

Since the approval of the Company's CVA, it is the Company's policy to settle debts with its creditors on a timely basis taking into consideration the terms and conditions offered by each supplier. At 31 March 2013 the number of creditor days outstanding for the Company was nil (31 March 2012 : 121 days).

Financial risk management objectives and policies

The Directors constantly monitor the financial risks and uncertainties facing the Company with particular reference to the exposure to price, currency, credit, liquidity and cash flow risk. They are confident that suitable policies are in place and that all material financial risks have been considered. More detail is given in note 14 to the financial statements.

Substantial shareholders

At 31 March 2013 the following had notified the Company of disclosable interests in 3% or more of the nominal value of the Company's shares, save for the Directors whose interests are disclosed in note 4 to the financial statements:

	Shareholding	%
Jim Nominees Limited	45,411,026	67
Forest Nominees Limited	8,952,000	13
Peel Hunt Holdings Limited	3,429,167	5
Brewin Nominees Limited	1,866,051	3

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's statement on page 1. In addition, note 11 includes the Company's objectives, policies and processes for managing its capital; note 14 to the financial statements includes its financial risk management objectives, details of its financial instruments and its exposures to credit risk and liquidity risks.

The company has successfully completed a Company Voluntary Arrangement, full details are disclosed above.

The Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they adopt the going concern basis in preparing the annual report and accounts.

Directors' responsibilities statement

The Directors are responsible for preparing the Report of the Directors 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 the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS) 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 and 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 accounting estimates that are reasonable and prudent;
- state whether applicable IFRS 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 and they are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Directors is aware:

- there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

- the management report includes a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that they face.

report of the directors
for the year ended 31 March 2013

Post balance sheet events

Investment in Disruptive Tech Ltd

At a Directors meeting on 14 August 2013 a proposal was approved to acquire 262,090 shares, ultimately representing a 0.63% interest in Disruptive Tech Ltd (a Gibraltar Company) for a total of £250,000. The purchase price was satisfied by a cash payment of £125,000 and the balance of £125,000 by way of the issue of 8,333,333 Ordinary shares of 0.1 pence at a price of 0.15p.

Investment in Advance Laser Imaging Limited

On 11 September 2013 the Board announced a £75,000 investment in Advance Laser Imaging Ltd. The Company has committed £75,000 for a 6.25% interest.

Placing of 60,000,000 Ordinary Share

A further issue of shares took place on 9 August 2013, 60,000,000 Ordinary shares of 0.1 pence being issued at 0.5p each generating gross proceeds of £300,000.

Reduction in share capital

Following the announcement on 18 June 2013 that the Company proposed to take further steps to restructure its balance sheet, a capital reduction was approved by shareholders and was confirmed at the final Court Hearing which took place on 31 July 2013. Both classes of Deferred Shares and the balances standing to the credit of the share premium account and the capital redemption reserve of the Company were cancelled. This reduction is sufficient to write off the entirety of the deficit on its profit and loss account and create a small positive balance. There were no changes to the number of ordinary shares in issue.

Auditors

Grant Thornton UK LLP has expressed their willingness to continue in office and a resolution that they be re-appointed will be proposed at the AGM in accordance with Section 489(1) of the Companies Act 2006.

On behalf of the Board

Nigel Brent Fitzpatrick MBE
Chief Executive Officer

independent auditors report

for the year ended March 2013

We have audited the financial statements of Vela Technologies Plc for the year ended 31 March 2013 which comprise the accounting policies, the statement of comprehensive income, the balance sheet, the cashflow statement, the statement of changes in equity, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's 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 and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement on pages 8**,** the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the parent company financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Nicholas Page
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Gatwick

accounting policies

for the year ended March 2013

1a Presentation of financial statements

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted in the European Union and as applied in accordance with the provisions of the Companies Act 2006, and under the historical cost convention.

In prior years, consolidated financial statements were prepared for the group headed by the Company. Consolidated financial statements have not been prepared for the year ended 31 March 2013 as there were no subsidiaries.

Change of financial year end

In the previous period the financial year end of the Company was changed from 31 December 2011 to 31 March 2012. Accordingly, the current financial statements are prepared for year ended 31 March 2013 and the comparative figures for the statement of comprehensive income, cash flow statement, statement of changes in equity and related notes are for the 15 months from 1 January 2011 to 31 March 2012.

The first time adoption of International Financial Reporting Standards

At 1 April 2012, the Company adopted the International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 April 2012. These have not had a significant impact on these financial statements.

This is the Company's first year of preparing the financial statements under IFRS and as such, it is required to comply with International Financial Reporting Standard No 1, relating to first year adoption of IFRS. However, as the adoption of IFRS has not affected the financial position, financial performance, or the cashflows as previously presented under United Kingdom Generally Accepted Accounting Practice (UK GAAP), it has not been deemed necessary to present the following in the financial statements;

- The reconciliation of the Equity balances as presented under the two frameworks at the comparative period and current period end, as there is no difference to be reconciled,
- The total comprehensive income as at the comparative period end, as this was substantially presented under UK GAAP, to the same value.

A cashflow was not required previously, but had one been presented, again, it would be consistent with the comparative cashflow statement as presented under IFRS.

Changes in accounting policy

At the date of authorisation of these financial statements the following standards and interpretations were in issue but not yet effective and therefore have not been applied in these financial statements:

- IFRS 9 Financial Instruments (effective 1 January 2015) (not yet EU adopted)
- IFRS 10 Consolidated Financial Statements (effective 1 January 2014)
- IFRS 11 Joint Arrangements (effective 1 January 2014)
- IFRS 12 Disclosure of Interests in Other Entities (effective 1 January 2014)
- IFRS 13 Fair Value Measurement (effective 1 January 2013)
- IAS 19 Employee Benefits (Revised June 2011) (effective 1 January 2013)
- IAS 27 (Revised), Separate Financial Statements (effective 1 January 2013)
- IAS 28 (Revised), Investments in Associates and Joint Ventures (effective 1 January 2013)
- Disclosures - Transfers of Financial Assets - Amendments to IFRS 7 (effective 1 January 2013)
- Disclosures - Offsetting Financial Assets and Financial Liabilities - Amendments to IFRS 7 (effective 1 January 2013)
- Offsetting Financial Assets and Financial Liabilities - Amendments to IAS 32 (effective 1 January 2014)
- Mandatory Effective Date and Transition Disclosures - Amendments to IFRS 9 and IFRS 7 (effective 1 January 2015)
- Government Loans – Amendments to IFRS 1 (effective 1 January 2013)
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (effective 1 January 2013)
- Annual Improvements 2009-2011 Cycle (effective 1 January 2013)
- Transition Guidance – Amendments to IFRS 10, IFRS 11 and IFRS 12 (effective 1 January 2013)

Changes in accounting policy continued

Investment Entities – Amendments to IFRS 10, IFRS 12 and IAS 27 (effective 1 January 2014)
• Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36) (effective 1 January 2014)
• Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39) (effective 1 January 2014)

The Directors anticipate that the adoption of these standards and interpretations in future periods will have no material impact on the financial statements of the Company, with the exception of IFRS 9 which has not yet been finalised and so the Directors are not able to fully assess the potential impact.

1b Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's statement on page 1. The financial position of the Company, its cash flows and liquidity position are described in the Chairman's statement on page 1. In addition, pages 3 to 4 include the Company's objectives, policies and processes for managing its capital; note 14 to the financial statements includes its financial risk management objectives, details of its financial instruments and its exposures to credit risk and liquidity risks.

The company has successfully completed a Company Voluntary Arrangement, full details are disclosed on page 7**.**

A further issue of shares on 9 August 2013 took place. 60,000,000 Ordinary shares of 0.1 pence were issued at 0.5p each generating gross proceeds of £300,000.

The Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they adopt the going concern basis in preparing the annual report and accounts.

1c Summary of significant accounting policies

Share-based payments

Share-based payments that are within the scope of IFRS 2 Share-based Payment have been recognised in the financial statements in accordance with that standard. This has been applied to arrangements granted after 7 November 2002.

Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date and, in accordance with IFRS 2, excludes the impact of non-market vesting conditions.

Equity-settled share-based payments are recognised as an expense in the profit or loss in accordance with IFRS 2 with a corresponding credit to equity.

If a service period or other non-market vesting conditions apply, the expense is allocated over the vesting period based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period.

No adjustment is made to any expense recognised in prior periods of share options ultimately exercised that are different from the number that actually vested. Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital and where appropriate share premium.

Fair values of share options or awards, measured at the date of the grant of the option or award, are determined using a binomial model methodology.

Where share options have lapsed as a result of the employees or directors leaving the Company, the accumulated share based payment reserves relating to the option held by these individuals is transferred out of the share based payment reserve and into the profit and loss reserve.

Taxation

Current tax is the tax currently payable based on taxable profit for the period.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the profit or loss income statement, except where they relate to items that are recognised in other comprehensive income in which case the related deferred tax is also charged or credited directly to equity.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. Classification is made at the inception of the lease. Payments made under operating leases are charged to the profit or loss on a straight-line basis over the lease term. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property, plant or equipment and the present value of the minimum lease payments.

Financial instruments

A financial instrument refers to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity and is recognised on the Company's balance sheet when the Company becomes a party to the contractual terms of the instrument. Financial instruments include cash and deposits, trade receivables and payables, and equity securities, etc.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and, subsequently, measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and changes to debtor payment patterns are considered indicators that the trade receivable may be impaired.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

Trade and other payables

Trade and other payables are not interest-bearing and are stated at their fair value on initial recognition. They are then measured at amortised cost. Where arrangements (eg Company Voluntary Arrangements) are made with the creditors, the difference between the carrying value of the payables, and the revised cost to settle those liabilities is recognised through the profit and loss account.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks that are readily convertible into known amounts of cash and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

1c Summary of significant accounting policies continued

Equity instruments
Equity instruments issued by the Company are recorded at the proceeds received, net of direct costs.

Equity
Equity comprises the following:

Share capital	–	represents the nominal value of equity shares
Capital redemption reserve	–	represents the reserve fund for shares redemption or buy-back
Share premium	–	represents the excess over the nominal value of the fair value of consideration for shares issued
Retained earnings	–	represents the accumulated retained profits
Share-based payment reserve	–	represents the cumulative charges for share-based payments

Foreign currencies
The presentational currency is sterling. The Company's functional currency is sterling.

Transactions in foreign currencies are translated into the functional currency at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date. Gains and losses arising on retranslation of monetary are included in net profit or loss for the period.

Segmental reporting
An operating segment is a component of the Company:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the Company);
- whose operating results are reviewed regularly by the Company's chief decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
- for which discrete financial information is available.

The Company historically invested in online marketing services investments. These were divested at the start of the year. The Company now comprises a single operating segment being an investment Company operating solely within the United Kingdom. Further information on the segments is disclosed in note 1 to the financial statements.

Non-current assets classified as held for sale
Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition subject only to terms that are usual or customary for sales of such assets. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale.

Property, plant, equipment and intangible assets once classified as held for sale are not depreciated.

If a non-current asset has been classified as held for sale, but subsequently ceases to meet the criteria to be classified as held for sale, the Company ceases to classify the asset as held for sale. Non-current assets that cease to be classified as held for sale are measured at the lower of carrying amount before the asset was classified as held for sale (adjusted for any depreciation, amortisation or revaluation that would have been recognised has the asset been classified as held for sale) and its recoverable amount on the date of the subsequent decision not to sell.

1d Accounting estimates and judgments

Significant judgments in applying the Company's accounting polices
In the process of applying the Company's accounting policies, management has made the following judgments that have the most significant effect on the amounts recognised in the financial statements.

Recognition of deferred tax assets
The Directors have also used their judgment in not recognising deferred tax assets as explained in note 5 to the financial statements.

Estimates
Management have made a significant estimate in preparing these financial statements. The tax charge for the year has been based on a cautious assessment of the potential tax liability of the gain made on the CVA, and the disposal of the subsidiary. While there may be potential to utilise some of the tax losses to relieve the tax charge, at the point of drawing up these accounts this remained uncertain, and therefore the potential benefit of this has not been recognised.

statement of comprehensive income

for the year ended 31 March 2013

	Notes	**year ended 31 March 2013 £'000**	15 months ended 31 March 2012 £'000
Revenue	1	**-**	-
Cost of sales		**-**	-
Gross profit		**-**	-
Administrative expenses			
– depreciation		**-**	-
– share-based payments		**(2)**	(21)
– other administrative expenses		**(561)**	(452)
– Amounts written off in CVA	8	**430**	-
Total administrative expenses and loss from operations	2	**(133)**	(473)
Interest payable		**-**	-
Profit on disposal of subsidiary	7	**273**	-
Profit on disposal of associate		**-**	195
Profit/(loss) before tax		**140**	(278)
Income tax	5	**(45)**	(9)
Profit/(loss) and total comprehensive income		**95**	(287)
Attributable to:			
Equity holders of the company		**95**	(287)
Earnings per share			
Basic and diluted earnings/(loss) per share (pence)	6	**0.47**	(3.74)

balance sheet
as at 31 March 2013

	Notes	31 March 2013 £'000	31 March 2012 £'000
Assets			
		–	–
Current assets			
Trade and other receivables	9	**11**	51
Cash and cash equivalents	13	**104**	3
Total current assets		**115**	54
Non current assets held for sale		**–**	50
Total assets		**115**	104
Equity and liabilities			
Equity			
Called up share capital	11	**4,912**	4,852
Capital redemption reserve		**13,188**	13,188
Share-based payment reserve	12	**–**	1,176
Share premium account		**24,032**	23,792
Retained earnings		**(42,093)**	(43,366)
Total equity		**39**	(358)
Current liabilities			
Trade and other payables	10	**76**	420
Onerous lease provisions		**–**	42
Total liabilities		**76**	462
Total equity and liabilities		**115**	104

These financial statements were approved by the Board, authorised for issue and signed on their behalf on 30 September 2013 by:

Nigel Brent Fitzpatrick MBE
Chief Executive Officer

Company registration number: 03904195

cashflow statement

for the year ended 31 March 2013

		year ended 31 March 2013	15 months ended 31 March 2012
	Notes	**£'000**	£'000
Operating activities			
Profit/(loss) before tax		**140**	(278)
Share-based charge		**2**	21
Decrease in receivables		**40**	709
Increase / (Decrease) in payables		**86**	(455)
Gain on Company Voluntary Arrangement		**(430)**	-
Impairment of group receivables		**-**	422
(Utilisation) of provision for onerous lease		**(42)**	(397)
Profit on disposal of associates		**-**	(195)
Profit on disposal of subsidiaries		**(273)**	-
Tax charge		**(45)**	(9)
Total cash flow from operating activities		**(522)**	**(182)**
Investing activities			
Consideration for disposal of investment in subsidiary		**323**	-
Consideration for disposal of investment in associate		**-**	195
Total cash flow from investing activities		**323**	**195**
Financing activities			
Issue of ordinary share capital		**60**	-
Share premium on the issue of ordinary share		**240**	-
Total cash flow from financing activities		**300**	**-**
Net increase/(decrease) in cash and cash equivalents		**101**	13
Cash and cash equivalents at start of year/period		**3**	(10)
Cash and cash equivalents at the end of the year/period	**13**	**104**	**3**

Cash and cash equivalents comprise:			
Cash and cash in bank		**104**	3
Cash and cash equivalents at end of year/period	**13**	**104**	**3**

statement of changes in equity

for the year ended 31 March 2013

	Share capital £'000	Share premium £'000	Capital Redemption Reserve £'000	Share-based payment reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 April 2012	**4,852**	**23,792**	**13,188**	**1,176**	**(43,366)**	**(358)**
Share option charge	–	–	–	2	–	2
Share options lapse	–	–	–	(1,178)	1,178	-
Issue of share capital	60	240	–	–	–	300
Transactions with owners	60	240	–	(1,176)	1,178	302
Profit for the year and total comprehensive income for the year	–	–	–	–	95	95
Balance at 31 March 2013	**4,912**	**24,032**	**13,188**	**–**	**(42,093)**	**(39)**
Balance at 1 January 2011	4,852	23,792	13,188	1,155	(43,079)	(92)
Share options charge	–	–	–	21	–	21
Issue of share capital	–	–	–	–	–	–
Transactions with owners	–	–	–	21	–	21
Loss for the period and total comprehensive loss for the period	–	–	–	–	(287)	(287)
Balance at 31 March 2012	4,852	23,792	13,188	1,176	(43,366)	(358)

notes to the financial statements

for the year ended 31 March 2013

1 Revenue and segmental information

The Company does not trade and as such there is only one identifiable operating segment, being the holding and support of investments. Furthermore the Company operates in a single geographic segment being the United Kingdom. The results and balance and cashflows of the segment are as presented in the primary statements.

2 Loss from operations

Loss from operations is stated after charging:

	Year ended 31 March 2013 £'000	15 months ended 31 March 2012 £'000
Auditors' remuneration for auditing of accounts	**14**	64
Auditors' remuneration for non-audit services	**2**	31
Operating lease rentals	**–**	-
Share-based payment charge	**2**	21

3 Staff costs

The average number of persons employed by the Company (including Directors) during the period was as follows:

	Year ended 31 March 2013	15 months ended 31 March 2012
Directors and senior management	**2**	2
Management	**-**	-
Non-management	**-**	-
Total	**2**	2

The aggregate payroll costs for these persons were as follows:

	Year ended 31 March 2013	15 months ended 31 March 2012
Aggregate wages and salaries	**271**	271
Social security costs	**-**	-
Share-based payments	**-**	-
Pensions costs	**-**	-
	271	271

4 Directors and senior management

Directors' remuneration

	Year ended 31 March 2013				
	Salary	**Fees**	**Pension**	**Equity**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
A Moss (resigned 5 March 2013)	271	–	–	–	**271**
N B Fitzpatrick	-	3	-	-	**3**
A Laiker	-	-	-	-	**-**
	271	**3**	**-**	**–**	**274**

	15 months ended 31 March 2012				
	Salary	Fees	Pension	Equity	Total
	£'000	£'000	£'000	£'000	£'000
A Moss	260	–	11	–	271

Directors' and senior management's interests in shares

The directors who held office at 31 March 2013 held the following shares:

	31 March 2013	31 March 2012
A Moss (resigned 5 March 2013)	**-**	-
N B Fitzpatrick	**-**	-
A Laiker	**1,916,724**	1,916,724

The total share-based payment costs in respect of options granted are:

	Year ended 31 March 2013 £'000	15 months ended 31 March 2012 £'000
Directors	**-**	18
Non-management	**2**	3

notes to the financial statements

for the year ended 31 March 2013

5 Tax

	Year ended 31 March 2013	15 months ended 31 March 2013
	£'000	£'000
Current tax:		
UK tax	**45**	9
Tax charge	**45**	9

The deferred tax asset relating to the losses has not been recognised due to uncertainty over the existence of future taxable profits against which the losses can be used.

Tax reconciliation

	Year ended	15 months ended
	31 March	31 March
	2013	2012
	£'000	£'000
Profit/(Loss) before tax	**140**	(278)
Tax at 24% (2012: 26%) on loss before tax	**34**	(72)
Effects of:		
Other expenses not deductible	**21**	81
Utilisation of losses	**(10)**	-
Current tax expense/(credit)	**45**	9

notes to the financial statements

for the year ended 31 March 2013

6 Earnings per share

Earnings per share has been calculated on a profit after tax of £95,000 (period to 31 March 2012: £287,000 loss) and the weighted number of average shares in issue for the year of 20,008,076 weighted (31 March 2012: 7,679,309 weighted).

Reconciliation of the profit and weighted average number of shares used in the calculations are set out below:

	Year ended 31 March 2013	15 months ended 31 March 2013
Profit/(loss) (£'000)	**95**	(287)
Earnings per share (pence)	**0.47**	(3.74)

A capital reorganisation was approved at a General Meeting held on 28 May 2012. Each of the Company's existing Ordinary shares of 0.1p each have been subdivided into 1 'New' Ordinary Share of 0.001 pence ('New shares') and 99 New Deferred shares of 0.001 pence ('New Deferred Shares'). The New Shares above have been consolidated into New Ordinary Shares of 0.1 pence each on the basis of 1 New Ordinary Share for every 100 New Shares. The Admission of the New Ordinary Shares to trading on AIM took place on 29 May 2012.

The Earnings per Share comparatives have been adjusted to reflect the redenomination of the share capital.

7 Disposal of subsidiary / Non current assets held for sale

Disposal of DGM India Internet Marketing Limited (DGM India)

On 4 April 2012, the Board entered into a sale and purchase agreement for the disposal of the subsidiary, DGM India, to Tyroo Media Private Limited and to Inflection Digital Holdings Private Limited (both of which are private companies incorporated and registered in India), for a total gross consideration of 33,500,000 ruppees (approx £412,760). This transaction completed in July 2012.

The carrying value of the investment in the subsidiary was recognised as a "non current asset held for sale" as at 31 March 2012.

The profit on disposal was calculated as proceeds net of costs (£373,000) less carrying value of asset (£50,000) giving the profit recognised of £323,000.

At 31 March 2013 all subsidiaries had been disposed of.

8 Amounts written off in CVA

On 21 December 2012 the Company entered a company voluntary arrangement ("CVA") and on 14th January 2013 the Company's creditors and members approved the CVA proposed by the previous directors of the Company who resigned on 18th January 2013. Since this approval the Joint Supervisors have established all claims and despatched payments in respect of valid claims at the rate set in the approved arrangement being 17 pence in the pound before administrators' costs. The first and final dividend was paid on 29 April 2013 at a rate of 15.96 pence in the pound. The CVA was successfully completed on 29 August 2013.

In December 2012 new investors conditionally subscribed for a number of ordinary shares, which generated substantial funds into the Company. Net funds received of some £280,000 allowed £99,189 to be used for the benefit of the CVA creditors, with the balance to allow the Company to fulfil its new investing policy.

The amount written off represents the difference between the total creditors approved and the dividend paid.

9 Trade and other receivables

	31 March 2013 £'000	31 March 2012 £'000
Trade receivables	**–**	11
Other receivables	**5**	-
Prepayments and accrued income	**6**	40
	11	51

10 Trade and other payables

	31 March 2013 £'000	31 March 2012 £'000
Trade payables	**14**	284
Social security and other taxes	**-**	16
Corporation tax payable	**45**	-
Other payables	**–**	33
Accruals and deferred income	**17**	87
	76	420

11 Share capital

	31 March 2013 £'000	31 March 2012 £'000
Authorised capital		
9,999,520,000 ordinary shares of 0.1 pence each	**10,000**	10,000
76,025,157,516 deferred shares of 0.001 pence	**760**	760
4,083,918,156 deferred shares of 0.1 pence each	**4,084**	4,084
54,952,000 deferred shares of 24 pence each	**13,188**	13,188
	28,032	28,032
Allotted, called up and fully paid capital		
67,679,309 (31 December 2010: 7,679,309) ordinary shares of 0.1 pence each	**68**	8
76,025,157,516 deferred shares of 0.001 pence	**760**	760
4,083,918,156 deferred shares of 0.1 pence each	**4,084**	4,084
	4,912	4,852

Allotments during the period

The Company allotted the following ordinary shares during the year/period:

	year ended 31 March 2013
Shares in issue at 31 March 2012	7,679,309
Shares issued during the year	60,000,000
Shares in issue at 31 March 2013	67,679,309

	15 months ended 31 March 2012
Shares in issue at 1 January 2011	7,679,309
Shares issued during the period	-
Shares in issue at 31 March 2012	7,679,309

notes to the financial statements

for the year ended 31 March 2013

11 Share capital continued

A capital reorganisation was approved at a General Meeting held on 28 May 2012. Each of the Company's existing Ordinary shares of 0.1p each have been subdivided into 1 'New' Ordinary Share of 0.001 pence ('New shares') and 99 New Deferred shares of 0.001 pence ('New Deferred Shares'). The New Shares above have been consolidated into New Ordinary Shares of 0.1 pence each on the basis of 1 New Ordinary Share for every 100 New Shares. The Admission of the New Ordinary Shares to trading on AIM took place on 29 May 2012.

The Company's main source of capital is the parent Company's equity shares. The policy is to retain sufficient authorised share capital so as to be able to issue further shares to fund acquisitions, settle share-based transactions and raise new funds.

12 Share-based payments

During the year, all options lapsed as the employees and directors who held the options ceased to be employees or directors. The reserve relating to vested share based payments was transferred to retained earnings at the point the options lapsed.

For the period to 31 March 2012, the movement on options was as follows:

Exercise price (pence)	Issue date	Held at 31 December 2010	Granted during the period	Forfeited during the period	Cancelled During the period	Held at 31 March 2012
124.68	October 2003	2,516	–	–	–	2,516
356.50	December 2003	3,000	–	–	–	3,000
510.00	April 2004	300	–	–	–	300
650.00	April 2004	250	–	–	–	250
450.00	January 2006	5,000	–	–	–	5,000
375.00	June 2006	7,500	–	–	–	7,500
425.00	September 2006	333	–	–	–	333
350.00	April 2007	9,651	–	–	(333)	9,318
125.00	May 2008	138,050	–	–	(17,500)	121,050
125.00	February 2009	91,167	–	(4,333)	(32,334)	54,500
050.00	January 2010	168,300	–	(30,667)	–	137,633
050.00	February 2011	–	10,000	–	–	10,000
050.00	April 2011	–	49,833	–	–	49,833
		426,067	59,833	(35,000)	(50,167)	401,233

The above table excludes Directors' options.

Options forfeited in the period are in respect of employees leaving the employment of the Company.

13 Cash and cash equivalents

Cash and cash equivalents comprise the following:

	31 March 2013 £'000	31 March 2012 £'000
Cash and cash in bank:		
Pound sterling	**104**	3
Cash and cash equivalents at end of year/period	**104**	3

14 Financial instruments

The Company uses various financial instruments which include cash and cash equivalents and various items such trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations and manage its working capital requirements.

The fair values of all financial instruments are considered equal to their book values. The existence of these financial instruments exposes the Company to a number of financial risks which are described in more detail overleaf.

The main risks arising from the Company financial instruments are currency risk, credit risk and liquidity risk. The Directors review and agree the policies for managing each of these risks and they are summarised overleaf. The Company has a sales ledger facility on which interest is charged at a variable rate. The Directors, therefore, do not consider the Company to be exposed to material interest rate risk.

Currency risk

There was no exposure to foreign exchange fluctuations to 31 March 2013, and as such sensitivity analysis has not been presented.

Credit risk

The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date, as summarised below:

Classes of financial assets – carrying amounts	**31 March 2013 £'000**	31 March 2012 £'000
Cash and cash equivalents	**104**	3
Trade receivables	**–**	-
	104	3

The Company's management considers that all of the above financial assets that are not impaired for each of the reporting dates under review are of good credit quality.

None of the Company's financial assets are secured by collateral or other credit enhancements.

Liquidity risk

The Company maintains sufficient cash to meet its liquidity requirements. Management monitors rolling forecasts of the Company's liquidity on the basis of expected cash flow in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these.

Maturity analysis for financial liabilities

	31 March 2013		31 March 2012	
	Within 1 year £'000	**Later than 1 year £'000**	Within 1 year £'000	Later than 1 year £'000
At amortised costs:				
Trade payables	**14**	**–**	284	–
Other payables	**–**	**–**	136	–
Lease commitments provision	**–**	**–**	-	–
	14	**–**	420	–

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. This is achieved by making investments commensurate with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity.

The Company policy is to set the amount of capital in proportion to its overall financing structure, i.e. equity and long-term loans. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or loan notes, or sell assets to reduce debt.

On 24th December 2012, the Company conditionally placed 67,400,000 new Ordinary Shares at a price of 0.5 pence raising £337,000 before expenses. The funds raised allowed the Company to fulfil its obligations under a CVA and allow the Company to continue to trade. The surplus was retained in the Company to allow the Company to fulfil its new investing policy.

The Company has approved a capital reduction which was finalised after the balance sheet date. Following the Capital Reduction both classes of Deferred Shares and the balances standing to the credit of the share premium account and the capital redemption reserve of the Company have been cancelled. The balance on the share premium account includes for this purpose any additional share premium arising before 31 July 2013. The Capital Reduction was sufficient to write off the entirety of the deficit on its profit and loss account, and create a small positive balance. Following the Capital Reduction, there was no change in the number of Ordinary Shares in issue.

notes to the financial statements

for the year ended 31 March 2013

15 Related party transactions

During the period the Company entered into the following related party transactions. All transactions were made on an arm's length basis:

Ocean Park Developments Limited

Nigel Brent Fitzpatrick, Non-Executive director is also a director of Ocean Park Developments Limited. During the year the Company paid £2,500 (31 March 2012 : £nil) in respect of his directors fees to the Company. The balance due to Ocean Park Developments at the year end was £nil (31March 2012 : £nil)

Share Options held by Directors

On 21 December 2012, the following share options held by the former directors lapsed when the Company entered a CVA:

Adrian Moss – 174,000 options

David Lees – 17,500 options

Keith Lassman – 12,500 options

Placing of shares

On 24th December 2012, the Company announced that Adrian Moss, a former director of the company had agreed to place 5,000,000 0.01p shares at a price of 0.05p for a total consideration of £25,000. This transaction completed on 5 September 2013. On completion of this Adrian Moss will own 5,995,100 shares in the Company representing a shareholding of 4.25%.

16 Events after the balance sheet date

Investment in Disruptive Tech Ltd

At a Directors meeting on 14 August 2013 a proposal was approved to acquire 262,090 shares, ultimately representing a 0.62% interest in Disruptive Tech Ltd (a Gibraltar Company) for a total of £250,000. The purchase price was satisfied by a cash payment of £125,000 and the balance of £125,000 by way of the issue of 8,333,333 Ordinary shares of 0.1 pence at a price of 0.15p.

Investment in Advance Laser Imaging Limited

On 11 September 2013 the Board announced a £75,000 investment in Advance Laser Imaging Ltd. The Company has committed £75,000 for a 6.25% interest.

Placing of 60,000,000 Ordinary Shares

A further issue of shares took place on 9 August 2013, 60,000,000 Ordinary shares of 0.1 pence being issued at 0.5p each generating gross proceeds of £300,000.

Reduction in share capital

Following the announcement on 18 June 2013 that the Company proposed to take further steps to restructure its balance sheet, a capital was approved by shareholders and was confirmed at the final Court Hearing which took place on 31 July 2013. Both classes of Deferred Shares and the balances standing to the credit of the share premium account and the capital redemption reserve of the Company were cancelled. This reduction is sufficient to write off the entirety of the deficit on its profit and loss account and create a small positive balance. There were no changes to the number of ordinary shares in issue.