

**CONSOLIDATED INCOME STATEMENT**

	Note	2011 £	2010 £
<b>REVENUE</b>		470,757	190,775
Cost of sales		127,188	152,721
<b>GROSS PROFIT</b>		343,569	38,054
Administrative expenses		(767,767)	(466,607)
Exceptional costs		-	(119,994)
<b>LOSS FROM OPERATIONS</b>		(424,198)	(548,547)
Finance costs		(14,186)	(7,519)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(438,384)	(556,066)
Tax on loss on ordinary activities		-	31,424
<b>RETAINED LOSS FOR THE YEAR</b>		(438,384)	(524,642)

**LOSS PER SHARE**

Basic	3	(2.90)p	(4.74)p
Diluted	3	(2.72)p	(4.02)p

**CONSOLIDATED BALANCE SHEET**

	2011 £	2010 £
<b>NON CURRENT ASSETS</b>		
Tangible assets	403,021	278,531
Intangible assets	68,963	16,000
<b>CURRENT ASSETS</b>	471,984	294,531
Inventories	91,144	1,761
Trade and other receivables	201,612	88,098
Cash at bank and in hand	71,397	406
<b>TOTAL ASSETS</b>	836,137	384,796
<b>CURRENT LIABILITIES</b>		
Trade and other payables	326,446	175,303
Borrowings	229,761	85,012
<b>TOTAL LIABILITIES</b>	556,207	260,315
<b>NET ASSETS</b>	279,930	124,481
<b>EQUITY</b>		
Share capital	428,734	346,818
Share premium account	698,322	186,430
Retained earnings	(847,151)	(408,767)
<b>EQUITY SHAREHOLDERS FUNDS</b>	279,905	124,481
Non-controlling interests	25	-
<b>TOTAL SHAREHOLDERS FUNDS</b>	279,930	124,481

<b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY</b>	<b>Share Capital</b>	<b>Share Premium Account</b>	<b>Retained Earnings</b>	<b>Total</b>
<b>At 30 June 2009</b>	<b>1,067</b>	<b>24,933</b>	<b>115,875</b>	<b>141,875</b>
Loss for the year	-	-	(524,642)	(524,642)
Share issues	54,046	455,954	-	510,000
Bonus share issue	291,705	(291,705)	-	-
Share issue costs	-	(2,752)	-	(2,752)
<b>At 30 June 2010</b>	<b>346,818</b>	<b>186,430</b>	<b>(408,767)</b>	<b>124,481</b>
Loss for the year	-	-	(438,384)	(438,384)
Share issues	81,916	733,975	-	815,891
Share issue costs	-	(222,083)	-	(222,083)
<b>At 30 June 2011</b>	<b>428,734</b>	<b>698,322</b>	<b>(847,151)</b>	<b>279,905</b>

#### **GROUP CASH FLOW STATEMENT**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>Operating activities</b>		
Loss for the period	(424,198)	(548,547)
Depreciation and amortisation	171,748	124,889
(Increase)/decrease in trade and other receivables	(113,514)	92,814
Increase/(decrease) in trade and other payables	151,143	(43,400)
Increase in inventories	(89,383)	(1,761)
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	<b>(304,204)</b>	<b>(376,005)</b>
<b>Returns on Investments and Servicing of Finance:</b>		
Interest paid	(14,186)	(7,519)
<b>Net cash flows from Investments and Servicing of Finance</b>	<b>(14,186)</b>	<b>(7,519)</b>
<b>Capital Expenditure:</b>		
Payments to acquire tangible fixed assets	(292,238)	(124,654)
Payments to acquire intangible fixed assets	(56,963)	(20,000)
<b>Net cash outflow for capital expenditure</b>	<b>(349,201)</b>	<b>(144,654)</b>
<b>NET CASH OUTFLOW BEFORE FINANCING</b>	<b>(667,591)</b>	<b>(528,178)</b>
<b>Financing Activities:</b>		
Issues of equity share capital	593,808	507,248
Shareholders' loans	(60,000)	10,000
Convertible loan stock	217,391	-
Shares issued to non controlling shareholders	25	-
<b>Net cash flow from financing activities</b>	<b>751,224</b>	<b>517,248</b>
<b>INCREASE/(DECREASE) IN CASH</b>	<b>83,633</b>	<b>(10,930)</b>

## **Notes**

### **1. GENERAL INFORMATION**

The Company is a public limited company incorporated and domiciled in the UK. The address of its registered office is 37 Bennett's Hill, Birmingham, B2 5SN.

The Company has its primary listing on the open market of the Frankfurt Stock Exchange.

The 2011 audited report and accounts were approved for issue on 21 November 2011.

The financial information set out herein does not constitute the Group's statutory accounts for the year ended 30 June 2011 or the year ended 30 June 2010. Statutory accounts for the years ended 30 June 2010 and 30 June 2011 have been reported on by the Independent Auditors. The Independent Auditors' Reports on the Annual Report and Financial Statements for 2009 and 2010 were unqualified and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. The audited accounts will be posted to all shareholders in due course and will be available on request by contacting the Company Secretary at the Company's Registered Office or on the Company's website at [www.tangibal.com](http://www.tangibal.com).

### **2. Basis of preparation**

The Group financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the European Union.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### 3. Segmental reporting

Revenues	2011 £	2010 £
Business segments		
Cinema division – Tangibal Media	335,146	110,890
Other digital media services – Agency business	135,611	79,885
	<u>470,757</u>	<u>190,775</u>
Geographical analysis		
UK	470,757	173,775
Western Europe	-	17,000
	<u>470,757</u>	<u>190,775</u>

### 4. Basic and diluted earnings per ordinary share

The calculation of earnings per ordinary share is based on the profit or loss for the period and the weighted average number of equity voting shares in issue as follows.

	2011 £	2010 £
Loss for the purpose of basic and diluted earnings per share	<u>(438,384)</u>	<u>(524,642)</u>
Weighted average number of ordinary shares for the purpose of basic earnings per share	15,105,675	11,069,887
<b>Basic loss per share</b>	<b>(2.90)p</b>	<b>(4.74)p</b>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	16,093,675	13,041,946
<b>Diluted loss per share</b>	<b>(2.72)p</b>	<b>(4.02)p</b>