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Company Registration No. 5780320 (England and Wales)

MAGICALIA MEDIA LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2010



MAGICALIA MEDIA LIMITED

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MAGICALIA MEDIA LIMITED

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

We have examined the abbreviated financial statements set out on pages 2 to 4, together with the financial statements of Magicalia Media Limited for the year ended 31 December 2010 prepared under section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Chapter 10 of Part 15 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements to the Registrar of Companies and whether the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated financial statements have been properly prepared in accordance with the regulations made under that section.

Lorenzo Mosca (Senior Statutory Auditor)
for and on behalf of Saffery Champness

23 September 2011

Chartered Accountants
Statutory Auditors

Lion House
Red Lion Street
London
WC1R 4GB

MAGICALIA MEDIA LIMITED

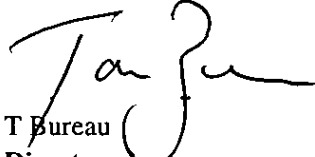
**ABBREVIATED BALANCE SHEET
AS AT 31 DECEMBER 2010**

	Notes	2010 £	£	2009 £	£
Fixed assets					
Investments	2	2,000,000		2,000,000	
Creditors: amounts falling due within one year		<u>(40,000)</u>		<u>(12,000)</u>	
Net current liabilities		<u>(40,000)</u>		<u>(12,000)</u>	
Total assets less current liabilities		1,960,000		1,988,000	
Creditors: amounts falling due after more than one year		<u>(2,000,000)</u>		<u>(13,020,000)</u>	
		<u>(40,000)</u>		<u>(11,032,000)</u>	
Capital and reserves					
Called up share capital		12,676,216		56,216	
Share premium account		505,946		505,946	
Profit and loss account		<u>(13,222,161)</u>		<u>(11,594,161)</u>	
		<u>(39,999)</u>		<u>(11,032,000)</u>	
Own shares held by EBT		<u>(1)</u>		<u>(1)</u>	
Shareholders' funds		<u>(40,000)</u>		<u>(11,032,000)</u>	

These abbreviated accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Approved by the Board for issue on

23/5/11


T Bureau
Director

Company Registration No. 5780320

MAGICALIA MEDIA LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2010

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 April 2008)

Going concern

The financial statements have been prepared on a going concern basis. The company, should the need arise, is dependent for its working capital on funds provided to it by the controlling party, Exponent Private Equity Partners LP. Exponent Private Equity Partners LP provided the company with additional funding during the year that, in the opinion of the directors, will allow the company to meet its obligations and liabilities for a period of at least 12 months from the date of approval of these financial statements. This together with its own working capital will, in the opinion of the directors, enable the company to continue in operational existence for the foreseeable future.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

1.2 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.3 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group financial statements.

1.4 Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

MAGICALIA MEDIA LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010

2 Fixed assets

	Investments £
Cost	
At 1 January 2010 & at 31 December 2010	13,886,596
Depreciation	
At 1 January 2010 & at 31 December 2010	11,886,596
Net book value	
At 31 December 2010	2,000,000
At 31 December 2009	2,000,000

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held Class	%
Subsidiary undertakings			
Magicalia Limited	England & Wales	Ordinary	100 00
Visordown Limited (*)	England & Wales	Ordinary	100 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2010 £	Profit/(loss) for the year 2010 £
Magicalia Limited	Principal activity Web publishing & e-commerce	(5,398,270)	(778,171)
Visordown Limited (*)	Dormant	52,795	-

(*) shares held indirectly

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NOTES TO THE ABBREVIATED ACCOUNTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2010

3	Share capital	2010 £	2009 £
	Allotted, called up and fully paid		
	562,162 Ordinary shares of 10p each	56,216	56,216
	126,200,000 Deferred shares of 10p each	12,620,000	-
		<u>12,676,216</u>	<u>56,216</u>

On 22 March 2010, the company issued 1,600,000 additional "A" preference shares

On 10 May 2010, the total of 14,620,000 cumulative "A" preference shares were subdivided into 2,000,000 cumulative "A" preference shares and 126,200,000 deferred shares of 10p each. The deferred shares do not carry rights to receive notice of, attend or vote at general meetings.

4 Ultimate parent company

The Company was under the control of Exponent Private Equity Partners LP during the entire period.