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UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-17990

In the Matter of

Digital Brand Media & Marketing Group, Inc., *et al.*,

Respondents.

DIVISION OF ENFORCEMENT'S SUPPLEMENT

The Division of Enforcement ("Division") submits this Supplement as provided by the Court's June 26, 2017 Scheduling Order.

Respondent has identified no application for a hardship exemption by it pursuant to 17 C.F.R. § 232.202. The only purported "hardship" request identified is Respondent's Ex. D, a November 29, 2013 letter from Digital Brand to the Commission's Division of Corporation Finance ("Corporation Finance") requesting relief from Corporation Finance's November 15, 2013 letter, Respondent's Ex. C. Corporation Finance's November 15, 2013 letter advised Digital Brand that it could not include in its filings any audit reports performed by Sherb & Co., LLP because Sherb & Co., LLP was denied the privilege of appearing or practicing before the Commission as an accountant on November 7, 2013. However, on its Witness List, Digital Brand mischaracterized Ex. D as "The Respondents [sic] written request for a hardship exemption." Respondent's Ex. D does not cite the hardship exemption of 17 CFR § 232.202, nor does it ask for such an exemption. Moreover, Corporation Finance's December 2, 2013 letter responding to

Respondent's Ex. D makes it clear that Digital Brand's November 29, 2013 pertains to the re-audit requirement, not to any purported claim for a hardship exemption under 17 CFR Section 232.202. The Division is attaching hereto as a rebuttal exhibit Division Ex. 19, which is Corporation Finance's December 2, 2013 letter responding to Respondent's Ex. D.

In addition, the Division also supplements its Exhibit List with the following three exhibits attached hereto: Div. Ex. 20, Digital Brand's last Form 10-K filed for the period ended August 31, 2014; Div. Ex. 21, a printout of Digital Brand's website; and Div. Ex. 22, Digital Brand's last periodic report, a Form 10-Q for the period ended May 31, 2015. Also, the Division has attached Div. Demonstrative Ex. 1, a chart of Digital Brand's Periodic Reports Not Filed.

For the reasons set forth above, and in its initial and reply papers, the Division respectfully requests that the Administrative Law Judge revoke the registration of each class of Digital Brand's securities registered under Exchange Act Section 12.

Dated: August 4, 2017

Respectfully submitted,

Neil J. Welch, Jr.

Kevin P. O'Rourke (202) 551-4442
Neil J. Welch, Jr. (202) 551-4731
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-6010

COUNSEL FOR
DIVISION OF ENFORCEMENT

CERTIFICATE OF SERVICE

I hereby certify that true copies of the Division of Enforcement's Supplement to Dispositive Motion Papers were served on the following on this 4th day of August, 2017, in the manner indicated below:

By Email:

The Honorable Jason S. Patil
Administrative Law Judge
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-2557
alj@sec.gov

Marshal Shichtman, Esq.
Marshal Shichtman & Associates, P.C.
1 Old Country Rd., Suite 360
Carle Place, NY 11514
(Counsel for Respondent)
marshal@lawmsa.com

Neil J. Welch, Jr.
Neil J. Welch, Jr.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

December 2, 2013

Via U.S. Mail and Facsimile to 646 722 2501

Linda Perry
Executive Director
Digital Brand Media & Marketing Group, Inc.
747 Third Avenue
New York, NY 10017

Re: Digital Brand Media & Marketing Group, Inc.
File No.: 000-52838

Dear Ms. Perry:

In your letter dated November 29, 2013, you requested that the staff waive the requirement and exempt the company from a re-audit of its 2012 financial statements in its 2013 Form 10-K. The company's 2012 financial statements were audited by Sherb & Co., LLP ("Sherb").

We are unable to grant the company's request. As previously stated in a letter dated November 15, 2013, the SEC denied Sherb the privilege of appearing or practicing before the Commission as an accountant. The company should not include Sherb's audit report in any filings made on or after November 7, 2013. The company should have a firm that is permitted to practice before the Commission as an accountant and is registered with the PCAOB re-audit the 2012 financial statements included in its 2013 10-K.

The staff's conclusion is based solely on the information provided in your letter. Different or additional material facts could result in a different conclusion. If you have any questions, I can be reached at 202-551-3511.

Sincerely,

Louise M. Dorsey
Associate Chief Accountant

EXHIBIT
Div. Ex. 19

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR FISCAL YEAR ENDED: August 31, 2014

OR

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to __________

Commission file number: 333-85072

DBMM GROUP

DIGITAL BRAND MEDIA & MARKETING GROUP, INC.
WWW.DBMMGROUP.COM
(Name of small business issuer in its charter)

Florida	[redacted]
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

747 Third Avenue, 2nd FL., New York, NY 10017
(Address of principal executive offices)

(646) 722-2706
(Issuer's telephone number)

Securities registered under Section 12(b) of the Exchange Act:

Title of each class	Name of exchange on which registered
None	None

Securities registered under Section 12(g) of the Exchange Act:

Title of each class	Name of exchange on which registered
None	None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [ ] No [X]

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes [ ] No [X]

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [_X_] No [___]

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.4.05 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer	[ ]	Smaller reporting company	[x]

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was sold, or the average bid and asked prices of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: $708,011 on February 28, 2014.

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date:

Common Stock, par value $.001 per share: Outstanding as of January 30, 2015 4,314,974,767

DOCUMENTS INCORPORATED BY REFERENCE

If the following documents are incorporated by reference, briefly describe them and identify the part of the Form 10-K/A (e.g., Part I, Part II, etc.) into which the document is incorporated: (i) any annual report to security holders; (ii) any proxy or information statement; and (iii) any prospectus filed pursuant to Rule 424(b) or (c) of the Securities Act of 1933 (the "Securities Act"). The listed documents should be clearly described for identification purposes (e.g. annual reports to security holders for fiscal year ended December 24, 1980).

None

Transitional Small Business Disclosure Format (Check one): Yes ___ No X.

FORM 10-K
For the Fiscal Year Ended August 31, 2014
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PART I

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements. These forward-looking statements are based largely on our expectations and are subject to a number of risks and uncertainties, many of which are beyond our control. Actual results could differ materially from these forward-looking statements as a result of, among other factors, risks related to the large amount of our outstanding term loans; history of net losses and accumulated deficits; reliance on third parties to market, sell and distribute our products; future capital requirements; competition and technical advances; dependence on the oil services market for pipe and well cleaners; ability to protect our patents and proprietary rights; reliance on a small number of customers for a significant percentage of our revenues; and other risks. In light of these risks and uncertainties, there can be no assurance that the forward-looking information contained in this Annual Report will in fact occur.

Item 1. Description of Business

General

Digital Brand Media & Marketing Group, Inc. ("we", "us", "our", "DBMM", "DBMM Group", the "Company") f/k/a RTG Ventures, Inc. ("RTG") is an OTC:PK listed company. The Company was organized under the laws of the State of Florida on September 29, 1998.

On March 20, 2007, we entered into a Share Exchange Agreement (the "Agreement") with Atlantic Network Holdings Limited, New Media Television (Europe) Limited ("NMTV"), and Certain Outside Stockholders to acquire all of the outstanding shares of NMTV. Atlantic Network Holdings Limited is a Guernsey company limited by shares and NMTV is a United Kingdom private company limited by shares. The transaction was subject to the fulfillment of certain conditions, including the satisfactory completion of the audit of NMTV's financial statements for each of its past three fiscal years. The conditions of closing were not met by ANHL and the agreement was rescinded via 8-K/A on March 30, 2010.

DBMM entered into a Share Exchange Agreement (the "Exchange Agreement"), on March 31, 2010, with Cloud Channel Limited which was subsequently re-named as RTG Ventures (Europe) Limited in July 2010 ("RTG Ventures (Europe)"). Pursuant to the Exchange Agreement, the Company acquired 100% of the outstanding capital stock of RTG Ventures (Europe) from its stockholders for consideration consisting of Convertible Preferred Shares of RTG Ventures, Inc. according to the derivative valuation methodologies outlined in the Share Exchange Agreement of Stylar Limited, a/k/a Digital Clarity. RTG Ventures (Europe) has been valued 12 months forward "notionally" one year hence. An 8-K/A was filed in September 2010 containing audited financials of the acquisition of Stylar Limited which completed the transaction. Shareholders converted the preferred shares into common stock using the average share price of the 30 days preceding September 3, 2011 which provided a share price of $0.016083. The methodology provided a valuation of 4X net profit. All preferred stock was held by DBMM's transfer agent for the 12 month period ending September 3, 2011. All voting shares were held by management.

Subsequent to the close of the fiscal year 2011 following substantial investment, the Company conducted a structural review of its total product and services offering. The review was carried out by the Board of Directors. The result was to bring technology development being outsourced directly into the Company to steward on a daily basis and any activities which were not revenue generating in the near term were eliminated. Certain business lines were eliminated from the Business Plan immediately. In October, 2011 the joint venture with iPayu was mutually withdrawn and in December, 2011 the acquisition of Bitemark Ltd. was rescinded. The companies reverted to the same position each held prior to the contracts. The rescission of the Bitemark Ltd. share purchase agreement was included as an exhibit to the filing for the 2011 fiscal year even though it constituted a subsequent event at the time.

As a further result of the review, the Company also agreed to strategically focus on developing the business of its wholly owned and revenue generating online marketing services company, Digital Clarity. With deep DNA in its operating market, blending the services of an experienced professional workforce, leveraging a technology offering positions the Company in a strong, forward looking structure. Digital Clarity operates in the growing area of digital marketing that helps companies make the most of the digital economy focusing on areas such as Search Page Engine Marketing (Google, Yahoo! & Bing), Social Media (Twitter, Facebook & LinkedIn) and Internet Strategy Planning including Design, Analytics and Mobile Marketing.

During the last quarter of fiscal 2012, the Company entered into an agreement with BrandEntertain. Digital Brand Media & Marketing Group, Inc. (f/k/a RTG Ventures, Inc.) and Brand Entertain have agreed to restructure their agreement retroactively to June 11, 2012. BrandEntertain is a partnership and there were certain issues with partnership financials which suggested the business combination be construed as a collaboration/cooperative venture, rather than an acquisition. Upon analysis, one year following the initial transaction, the agreement was rescinded and no consideration was received by BrandEntertain.

On March 5, 2013, Digital Brand Media & Marketing Group, Inc. filed a Certificate of Amendment to its Articles of Incorporation to change its name from "RTG Ventures, Inc." to "Digital Brand Media & Marketing Group, Inc." In connection with the name change, the Company's trading symbol changed from "RTGV" to "DBMM" (the "Symbol Change"). The Amendment was effective as of March 20, 2013. The Name Change and Symbol Change have been reflected in the Company's ticker symbol as of April 8, 2013.

Also on March 5, 2013, Digital Brand Media & Marketing Group, Inc. received approval from the Financial Industry Regulatory Authority (FINRA) for its 100 to 1 reverse stock split.

A summary of the business is: DBMM Group crafts, designs and executes digital marketing strategies across multiple ad platforms and social media networks for a broad array of clients to help each of them establish a uniform brand identity across the digital universe. The product offering is a unique value proposition of intelligent analytics provided by an experienced digital marketing and technology team. Therefore DBMM Group is a blend of data, strategy and creative execution.

Digital Clarity is a trading brand for Stylar Limited, a wholly owned company of DBMM, through its office in London, England. The Company is a multi-service digital marketing agency which specializes in creating effective strategies and campaigns for clients across a range of vertical markets, working in three key areas:

- SearchEngine Marketing –for search engines like Google, Yahoo etc.
- WebDesign –building sites for web, mobile and tablet devices
- SocialMedia –planning and measuring social metrics digitally in order to diagnose strategy

DBMM Group can leverage its team's experience in digital media and provide leading strategy, deployment and measurement to its core markets in many industry sectors, from creative to traditional corporate. Entertainment, Fashion and Sports industries, as well as Automotive and Ecommerce are target markets.

The Company is rolling out the services of both the technology and marketing service offering of the business from its current base in London, England, and during 2013 into larger markets in the United States, namely Los Angeles and New York. The intent in fiscal year 2015 is to continue to grow into many geographic areas in order to develop additional revenue streams following the model developed this year.

Fiscal year 2014 reflected the Company's continued progress by being awarded contracts for a number of new clients in the search marketing sector. One of the successful contract models for Digital Clarity strategizes as a full digital marketing and technology consultancy from design following analysis of client's analytics, then executing and stewarding the evolution of the model. The Company's mantra is, "ROI is our DNA," and continues its business development by leveraging those relationships.

Sales and Marketing

Our sales team focuses on adding new advertisers to our business, while our business development and partnership initiatives focuses on adding new reseller partnerships, selectively adding new distribution partnerships and servicing existing partnerships. Our marketing department focuses on promoting our services through online customer acquisition, affiliate relationships, press coverage, strategic marketing campaigns and industry exposure. Advertising and promotion of our services is broken into four main categories: direct sales, reseller partnerships, online acquisition, and referral agreements. The Directors also take an active role in business development

Research and Development

The Company has a strong forward looking focus in building out a robust and lean platform that will provide revenue generation through the business model described.

There is a current need for investment in building out the development team and creating a proprietary infrastructure to scale and evolve the technology platform and to market to end users.

Employees

As of August 31, 2014 the Company had five full-time employees.

Competition

There is strong competition in the digital marketing arena, though with the right level of investment and marketing, Digital Clarity has a confident outlook in using its experience to win new business in both local and international markets. DBMM has significant business relationships in place.

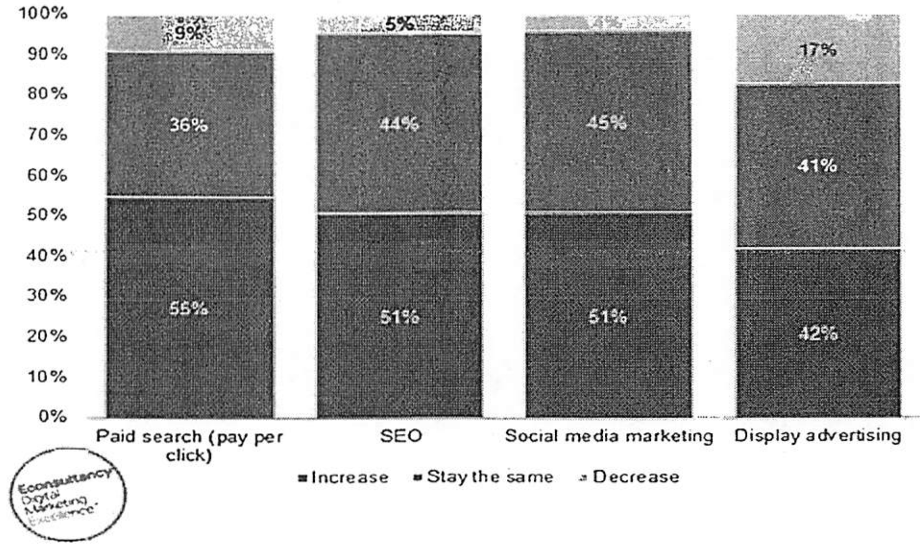
DBMM Group's Current Markets

- Entertainment/Fashion/Sports/Automotive/Ecommerce Technology Solutions
- Digital Marketing Strategic Consulting Services

The Growth of Social Technology and Search

THE MARKET ENVIRONMENT –SEARCH

Businesses now spend 37% of total marketing budget on paid search



Digital Marketing Services

Digital Clarity is a specialist Digital Marketing Agency that has been at the forefront of online marketing. The company is a multi-service digital marketing agency who specializes in creating effective strategies and campaigns for clients and agencies across a wide range of verticals.

Specializing in Search Engine Marketing, Web Design, Social Media including Digital Analysis, the company works with both major brands and medium-sized companies to help leverage online brand presence and new customer acquisition strategy. Digital Clarity also delivers consultancy and strategy planning for both client companies and advertising agency partners.

The Company Profile:

- Revenue Generating Company
- Cash Flow Positive
- Experienced Team
- Strong Client Base
- Centers of Excellence Today –US & Europe
- Future Geographic Reach –UAE & Asia
- Reach to Celebrity & A-List Performers
- Established Relationships with Media Groups like Google
- Poised for the Growth in Digital Marketing & Advertising

Services Offered by Digital Clarity continue to grow with client relationships. Led by the Head of US Operations, Steve Baughman, the Company has begun to leverage with an objective to potentially integrate his music and entertainment contacts to help build on its existing service offering.

Pay per Click Advertising (PPC)

Pay per click (PPC) (also called Cost per click) is an Internet advertising model used to direct traffic to websites, where advertisers pay the publisher (typically a website owner) when the ad is clicked. With search engines, advertisers typically bid on keyword phrases relevant to their target market. Content sites commonly charge a fixed price per click rather than use a bidding system. PPC "display" advertisements are shown on web sites with related content that have agreed to show ads.

Search Engine Optimization (SEO)

Search engine optimization (SEO) is the process of improving the visibility of a website or a web page in search engines via the "natural" or un-paid ("organic" or "algorithmic") search results. In general, the earlier (or higher ranked on the search results page), and more frequently a site appears in the search results list, the more visitors it will receive from the search engine's users. SEO may target different kinds of search, including image search, local search, video search, academic search, news search and industry-specific vertical search engines.

As stated in Eric Siu, "24 Eye Popping SEO Statistics" in searchenginejournal.com and the Interactive Advertising Bureau's "IAB Advertising Report" of October 2013, search engines are the most important tool today in website optimization. 93% of online experiences begin with a search engine and 82.6% of internet users use search. Furthermore, 88.1% of US internet users ages 14+ researched products online in 2012 and there are over 100 billion global searches being conducted each month.

Analytics

The measurement, collection, analysis and reporting of internet data for purposes of understanding and optimizing web usage.

Email Marketing

Description: Email marketing is a form of direct marketing which uses email as a means of communicating commercial or fund-raising messages to an audience. In its broadest sense, every email sent to a potential or current customer could be considered email marketing.

SMS Marketing

Users of an SMS service can exchange text messages either from mobile to mobile or through a specialist internet website to a handset about anything from promotional offers, to general information regarding a product or service. Messages are usually sent using a short code system. Short codes are around 5 or 6 digits in length and work by asking customers to text a certain keyword to a specific code. E.g. 'Text WIN to 84841'.

Web Design & Development

To lead a highly competitive environment, the process of planning and creating a website requires both art and technology prowess. Text, images, digital media and interactive elements are used by Digital Clarity's designers to produce the page seen on the web browser. As a whole, the process of web design can include conceptualization, planning, producing, post-production, research, and advertising. The site itself can be divided into pages. The site is navigated by using hyperlinks; commonly these are blue and underlined but can be made to look like anything the client wishes.

ITEM 1A. RISK FACTORS

Smaller reporting companies are not required to provide the information required by this item.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 2. DESCRIPTION OF PROPERTY

DBMM's corporate address is 747 Third Avenue, 2nd Floor, New York, NY 10017. The Company has an annual renewable lease. In April 2012, Stylar Limited (a//k/a Digital Clarity) entered in to a 5 year lease. Under the terms of the current lease the annual base rent is approximately $17,000. This office is located in the UK.

ITEM 3. LEGAL PROCEEDINGS

The Company is involved in a litigation, Asher Enterprises, Inc. v. Digital Brand Media & Marketing Group, Inc. and Linda Perry, Index No. 600717/2014, in the Supreme Court of the State of New York, sitting in the County of Nassau. The Plaintiff alleges $337,500 in damages based on breach of contract allegations arising from the Company's untimely periodic filings in December 2013. On September 18, 2014, the Court declined to grant the plaintiff's application for default judgment. The cross-motion for the Company was granted and the lender was directed to file a verified answer in the form submitted within 20 days. The Company plans on vigorously defending the litigation.

ITEM 4. MINE SAFETY DISCLOSURES

N/A

PART II

ITEM 5. MARKET FOR COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our common stock is currently listed for quotation on the OTC:PK under the symbol "DBMM".

Per Share Market Price Data

The following table sets forth, for the fiscal quarters indicated, the high and low closing bid prices per share for our common stock, as reported by on PinkSheets.com. Such quotations reflect inter-dealer prices, without retail markup, markdown or commission and may not represent actual transactions.

Year Ended August 31, 2014:	High	Low
First Quarter	$0.0249	$0.0007
Second Quarter	$0.0018	$0.0002
Third Quarter	$0.0009	$0.0002
Fourth Quarter	$0.0003	$0.0001

Year Ended August 31, 2013:	High	Low
First Quarter	$0.06	$0.05
Second Quarter	$0.035	$0.035
Third Quarter	$0.02	$0.02
Fourth Quarter	$0.018	$0.01

The last reported sale price of our common stock on the OTC Electronic Bulletin Board on August 31, 2013 and August 31, 2014 was $0.018 and $0.0001 per share respectively. As of August 31, 2013,and August 31, 2014 there were 187 and 125 holders of record of our common stock, respectively as well as over 1,200 shareholders under beneficial ownership through brokerage firms.

Dividends

We have never declared any cash dividends with respect to our common stock. Future payment of dividends is within the discretion of our board of directors and will depend on our earnings, capital requirements, financial condition and other relevant factors. Although there are no material restrictions limiting, or that are likely to limit our ability to pay dividends on our common stock, we presently intend to retain future earnings, if any, for use in our business and have no present intention to pay cash dividends on our common stock.

Recent issuances of Unregistered Securities

Period	Class	Shares	Consideration	Use of Proceeds	Exemption from Registration
2013-2014 Q4	Investors	1,824,026,503	$89,396	Reduction of Outstanding Debt	§4 (a) (2)

ITEM 6. SELECTED FINANCIAL DATA

As a "smaller reporting company", as defined by Rule 10(f)(1) of Regulation S-K, the Company is not required to provide this information.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

Readers are cautioned that certain statements contained herein are forward-looking statements and should be read in conjunction with our disclosures under the heading "Forward-Looking Statements" above. These statements are based on current expectations and assumptions that are subject to risks and uncertainties. This discussion also should be read in conjunction with the notes to our consolidated financial statements contained in Item 8. "Financial Statements and Supplementary Data" of this Report.

Background

DBMM is an OTCPK listed company. Subsequent to the close of the fiscal year 2011 following substantial investment, the Company conducted a structural review of its total product and services offering. The review was carried out by the Board of Directors. The result was to bring technology development being outsourced directly into the Company to steward on a daily basis and any activities which were not revenue generating in the near term were eliminated. It was unanimously agreed that the company would adopt a lean approach that focused on the relationships and partnerships. To that end, the Company has added significant partnerships through Letters of Intent, Joint Ventures and various collaborative structures involving revenue sharing arrangements.

Operations Overview/Outlook

Operationally, 2014 has been important in continuing the direction of the Company and steering it toward a scaled, sustainable growth plan. The model developed in fiscal 2013 has been reinforced and is differentiating to clients, therefore, the model will continue into fiscal 2015.

Entertainment/Fashion/Sports/Automotive/Ecommerce Solutions

DBMM is taking its strengths including its relationships to build its business focus on a wide array of industries. The Company, under very competitive global market conditions and growing development needs, continues to identify partnership opportunities. Utilizing successful models with existing clients, the outlook remains strong for the future.

The heart of the business is the marketing consultancy. Understanding each client and developing the model to individualize the outlook has been essential. This kind of close relationship with the client resulted in Digital Clarity being considered a close professional advisor.

In fiscal year 2015, the Company will continue to focus on the positive results of the last year and use that model to expand geographic reach with existing and new partners.

Digital Marketing Services

2014 continues to see exponential growth in the adoption of Social Media as communication, marketing and engagement avenues. An acceptance of change is driving revenue. The future growth in mobile search is one of the fastest growing ancillary businesses. It was clear that the direction, talent and growth of the Company is in its human capital and outside relationships which must be proactive in order to differentiate itself from competition

The clear opportunity is at the foundation of the Company, namely the need to expedite and encourage development in the digital marketing services sector. The marketing services product is labor intensive and thus the Company must jumpstart the growth by significant capital infusion in fiscal year 2015 to grow simultaneously in multiple geographies.

As a foundation, the financial review showed that Digital Clarity continued to be revenue generating and remained cash flow positive.

Key Milestones

During 2014, Digital Clarity continued to make inroads into established and emerging markets. In the latter part of 2014, American Green (OTC:PK:ERBB) became a new client as a market leader as one of the fastest-growing companies in the marijuana industry.

American Green was the first publicly-traded company medical marijuana dispensary brand in the world and currently has over 50,000 shareholders. It is now embarking on the strategy to become a major participant in the expanding medical and adult use cannabis market on a national scale.

American Green continues to offer retailing, branding and cultivating strategies in conjunction with its ongoing business with various licensed medical marijuana medical and retail dispensaries. The company has consulted with dispensary operators in California, Colorado, Washington and Arizona. Being located in Arizona, a very effectively regulated medical marijuana (MMJ) market, American Green is focusing on providing goods and services that operators of licensed non-profit MMJ dispensaries in regulated environments require. This strategy will allow American Green to further penetrate the market and to leverage its existing brands, products and services. As a result, the ZaZZZ™ network is being adapted to sell non MMJ products to customers of MMJ dispensaries; lines of non-MMJ, hemp-based products are in development; online communities, products and services are being created; and consulting opportunities involving compliance, business development and financial services have been identified.

American Green Clothing: The Company is currently selling clothing and accessories under the American Green brand. The Company is working toward developing a full line of clothing and accessories under the American Green brand for traditional brick and mortar sales, as well as through ZaZZZ™ and MMJ dispensary networks. All products are available through web-based purchase at www.AmericanGreen.com.

Another example is representative of the diversity of client base, DBMM's approach using a client's analytics, and executing an individualized model to increase ROI as the prime objective.

Tutti Dynamics developed an interactive media player that enables audiences to engage with the world's masters in the arts and sciences. Tutti represents the future of next-generation media. More information about Tutti's immersive media player can be found at www.tuttidynamics.com.

In 2013, DBMM identified a collaboration with Video Media Holdings, Inc. (VMS) to become its reseller in Europe with other revenue streams being explored as well. The value proposition for VMS strengthens DBMM's offering to its clients. VMS Holdings, Inc. develops a mobile application for sharing videos. Its mobile application allows companies and users to send and receive video content to and from a mobile phone; subscribe for a favorite celebrity, actor, TV channel, or team and get video updates; and create your own channel and become a broadcaster, as well as serves as a tool for mobile marketing and sales. The company's mobile application is available for Android, BlackBerry, iPhone, and Symbian devices. It distributes its mobile application through distributors, and mobile device and application stores in Africa, Europe, Asia, North America, and South Africa. It serves mobile operators and media companies, government organizations and law enforcement agencies, premium content providers and retailers, sports clubs, and celebrities worldwide.

DBMM finalized an agreement with New York based digital marketing automation platform, BRANDmini LLC, to strategically broaden BRANDmini's delivery of its Saas (Software as a Service) application; primarily looking after those larger clients seeking to leverage a more bespoke digital marketing service abroad. BRANDmini is a transactional marketing automation platform for creating, serving, and measuring marketing campaigns across multiple online channels and mobile devices. Our platform is integrated with leading ad networks, publishers, mobile platforms and social sites. BRANDmini's innovative In-Page technology empowers brands to engage and transact with consumers while they are browsing. Now anyone can build branded transactional ads, gadgets, social landing pages and run campaigns anywhere your customers are.

These client relationships illustrate the execution of DBMM's strategic direction which strengthens then the Company through its revenue-sharing strategic alliances resulting in additional revenue streams.

Many clients such as Mercedes Benz, UK, Wharfside and Duvet & Pillow Warehouse have experienced increases in revenue and increases in conversion as a result of Digital Clarity's strategic direction. These case studies are excellent resources for new clients and illustrate the mantra of "ROI is our DNA".

"DBMM's Digital Clarity Selected to Conduct Survey" – Results Reported by BBC & Huffington Post

Huffington Post Article Entitled: "Internet Addiction Disorder – Yes, It's a Real Thing." (http://huff.to/1rSyzSX)

Digital Clarity Named in Top Ten Best Social Media Marketing Firms in the UK for 2013

"Topseos.co.uk , an independent research firm, revealed the listing of the top 10 best social media marketing agencies in the UK based on their strength and competitive advantage. Social media marketing companies are put through a methodical analysis to ensure the rankings contain the absolute best companies the search marketing industry has to offer."

Digital Clarity was awarded a spot in the top 10. The process for researching and declaring social media marketing agencies in the UK is based on the use of a set of analysis criteria and learning more about their solutions and their communications with their customers through references. The teso.co.uk independent analysis team communicates directly with the clients in order to inquire about the solutions and achievement from the client's perspective.

Key Differentiators

2014 has been about establishing strong foundations by continuing to streamline operations and assessing activities on a cost benefit basis while developing new client relationships and revenue streams to be a differentiating digital marketing and technology provider. This focus has allowed the Company to enhance brand value for its clients. 2015 will continue to be about growth and outreach utilizing five key differentiators:

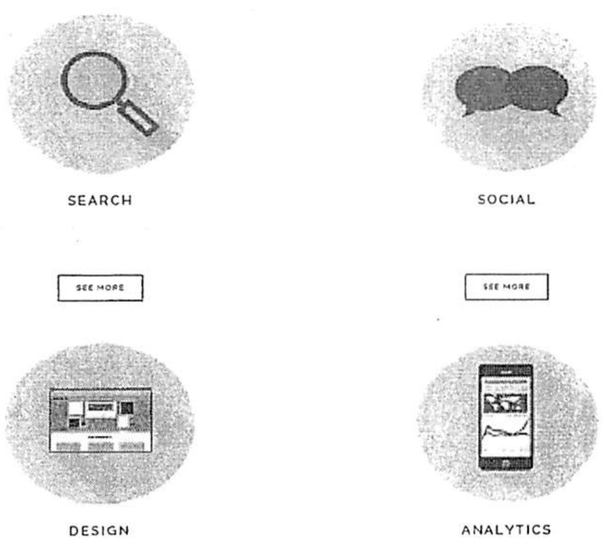
1. **Brand enhancement**
2. **Search**
   - **PPC**
   - **SEO**
3. **Design**
4. **Social media**
5. **Analytics**

1. STRENGTHS: BRAND ENHANCEMENT

Digital Clarity is an evolving Strategic Brand Consultancy that crafts, designs and executes digital marketing strategies across multiple ad platforms and social media networks for a broad array of clients to help each of them establish a uniform brand identity across the digital universe.

As the online world becomes more sophisticated and complex, Digital Clarity concentrates on core areas that help business navigate through an often confusing mosaic choice of systems and platforms. Focusing on the areas of Search, Social Media and Design, all of Digital Clarity work is underpinned by a unique understanding of Analytics. This aspect is often a missed piece of the jigsaw that makes up the digital marketing mix. The five differentiators, presented to clients as an integrated model, result in being selected over competition in the majority of presentations.

CORE AREAS:



2. STRENGTHS: SEARCH:

–PPC

Definition:

PPC stands for Pay-per-Click Advertising. It is an abbreviation for a number of search advertising platforms, of which the mostly widely used is Google AdWords. PPC is one of the most effective online marketing services available, generating instant activity and instant results for new or existing websites.

The real beauty of PPC is that you only pay for an ad when a potential customer clicks on it, meaning you can bring people to your site for mere pennies while ensuring your traffic is relevant and targeted at people who are looking for your service or product. Additionally, PPC is highly measurable and can be closely monitored, allowing your business to keep a close eye on return-on-investment (ROI).

The major platforms used for PPC are:

- Google AdWords (Global)
- Microsoft Bing (Yahoo & Bing)
- Yandex (Russia)
- Baidu (China)
- AdWords Audit

Key Areas of Service:

- Budget Management
- Keyword Research
- Conversion Rate Optimization
- Bid Optimization
- Dedicated PPC Management

As an elite consultancy, Digital Clarity has extensive experience of running PPC management and implementation ranging from small independent businesses with one or two ad campaigns to multi-national ecommerce websites which utilize hundreds of ads and thousands of keywords. Whatever the nature and size of the account, Digital Clarity understands the importance of utilizing a programmatic, well-defined approach:

- **Strategy.** By understanding your business, demographics and audience, Digital Clarity can help to make sure that campaigns hit the ground running from day one.
- **Implementation.** Digital Clarity uses experience to put in place the best structure, keywords, ad copy and bidding strategies to maximize the effectiveness of your account.
- **Optimization.** Digital Clarity rigorously interrogates and checks our client accounts to ensure optimal performance, with regular reviews of all aspects of your campaigns.
- **Reporting.** By defining and explaining the numbers of your account, Digital Clarity provides the information needed to steer things in the right direction for business.

2. STRENGTHS: SEARCH:

–SEO

Definition:

When customers look for service on Google or another search engine, they might find a client company's business – or they might find a competitor. SEO (Search Engine Optimization) is the process by which you can help ensure that your site appears first in the rankings. These rankings are determined by the search engine's algorithms: programs which trawl the internet indexing details about each site, in order to deliver relevant results when people search. If your website does not perform well according to the algorithm's criteria, your rank will be lower, and people will not be able to find your site; this is what makes partnering with the right SEO agency such a crucial part of your digital marketing activity.

Digital Clarity is at the vanguard of this sector, having implemented countless SEO plans for a broad array of clients in a number of different industries. These plans included:

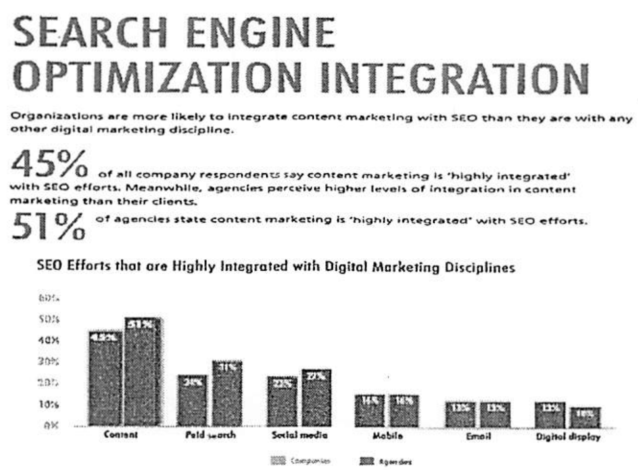
- Onsite Technical Audit
- Quality Content Creation
- Meta, Tags & Technical Optimization
- Website Structure
- Use of Optimum Keywords
- Link Building & Referrals
- Social Media Integration

Search Algorithms

SEO strategy is changing all the time, and the rate of change has picked up dramatically in the last 12-18 months. Changes to the Google algorithm in particular have shifted the landscape of search optimization, including named updates such as Penguin, Panda, and Hummingbird. These changes can have huge consequences: well-performing sites can lose visibility and poor performers can gain it, literally overnight. It is therefore absolutely essentially that a website's SEO is closely curated and managed, making sure one is always ahead of the curve.

SEO Can Deliver Results for Business

By applying website optimization to your site for better search engine performance, you will gain more traffic and brand recognition as more and more people are able to find you online. This in turn allows more sales and conversions, leading to higher profits and better return on your digital investment. Contact our team today to find out how we can improve your performance.



3. STRENGTHS: DESIGN:

Definition:

Web design encompasses many different skills and disciplines in the production and maintenance of websites.

A site can be the most functional, user-friendly and search-optimized in the world; if people don't like the look of it, they will counce off your page and never come back. Making sure a site looks good and that it reflectes your brand company identity is the difference between success and failure, and having a goo web design agency on your side is more important than ever.

Web Design Services:

- e-Commerce
- Device Compatibility
- Web Development
- Mobile Compatibility
- Process & Planning
- Content Management System (CMS)
- Version Control

Changes in the Last Few Years

With the rise of mobile devices and tablets, the game has changed. It's no longer enough for your site to look great on a PC; it has to be able to scale from a widescreen view of a modern flat screen monitor to the narrow portrait of an Android mobile screen; it has to spin and rotate with the movements of an iPad. This aspect of website design is called 'responsiveness,' and in the last few years has gone from being 'nice to have' to absolutely essential, necessitating a complete website redesign in many cases. Digital Clarity have years of experience in building functional, beautiful websites which work across all devices.

Digital Clarity's Unique Proposition

Specialist creative agencies are great at making things pretty and applying their own methodologies and ideas to client websites. Digital Clarity takes a different approach: combining a client's ideas, vision and brand identity with our experience and expertise to produce sites which perfectly blend form and functionality. Additionally, Digital Clarity does not design in a bubble; the sites built integrate seamlessly with PPC campaigns, SEO activity, and are fully optimized to perform as part of a greater whole. Digital Clarity does not just build websites; the company's role as a website design agency is part of a holistic approach which will help achieve the overall business goal.

4. STRENGTHS: SOCIAL MEDIA:

Definition

Social media refers to sites where users interact with each other on a large scale, including Facebook, Twitter, LinkedIn, Pinterest, Imgur, Tumblr and many others. Begun as a social phenomenon, the growth in use of social media sites over the past decade has made it impossible to ignore for any brand or business.

- Social Media Audit
- Content Creation
- Social Media Management
- Social Media Set Up
- Reporting
- Blog Writing
- Content Strategy
- Reputation Management
- Social Media Advertising

The Need for Social

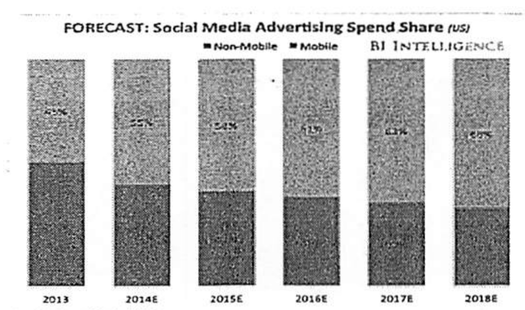
Social media can help achieve business goals by allowing greater engagement with your customer base, audience and stakeholders. Your company doesn't just need a brand anymore: it needs a face, a voice, and maybe even a heart. As well as being a central component of how your customers see you, it can also yield other opportunities: Promotions, customer feedback, and even just having a little fun can all be used to bring you closer to your clients and users, informing strategy, guiding your product offering and in the long term, increasing sales and profits.

Digital Clarity's Proposition

As a Digital Marketing and Technology Agency, Digital Clarity has been helping brands manage their social presence since before 'social media' had been coined as a phrase. Using our holistic methodology, we will incorporate your social presence as part of an overall offering, utilizing the platforms which are most appropriate to your business in the best possible way. Whether you need from-scratch implementation, or just want a social media audit to benchmark your activity, Digital Clarity have the expertise to deliver the results you need.

Digital Clarity have a strong track record of increasing membership numbers, creating deeper engagement, and measuring the success of your activity to help inform social media marketing strategy and guide development.

The Market for Growth in Social



- Social-media advertising spend will grow rapidly through 2018. It's up 40% this year and will top $8.5 billion, growing to nearly $14 billion in 2018, a five-year compound annual growth rate (CAGR) of 18%.
- Social media ad spend has reached the mobile-tipping point. Spending on mobile social-media ads, including mobile app-install ads, will surpass non-mobile spend by the end of this year in the US. In 2018, two-thirds of social-media ad spend will go to mobile, creating a $9.1 billion social-mobile market.
- Mobile app-install ads and programmatic buying are also growth drivers. Analyses suggest that mobile app-install ads could account for anywhere from one-quarter to more than one-half of Facebook's mobile ad revenues.
- Social programmatic ad platforms are also growth engines. Spending on FBX, Facebook's programmatic platform, increased by 150% year-over-year globally during the second quarter of 2014, based on a sample of advertisers compiled by Ignition One.
- Prices are increasing as performance and targeting improve, even as ad loads stay steady on the established platforms. Facebook, for example, is not likely to increase the amount of in-feed native ads an average user will see.
- The market is expanding with the introduction of paid ad units at Pinterest and Instagram.

5. STRENGTHS: ANALYTICS

Definition:

Analytics is the act of analyzing data from your website, marketing campaigns and user activity. It can include everything from what time of day people are most likely to click on your PPC ads, right down to how long users are spending on individual pages on your site. Analytics can help you locate problems, find areas for improvement, form projections for the future and help you get the best out of your marketing budget.

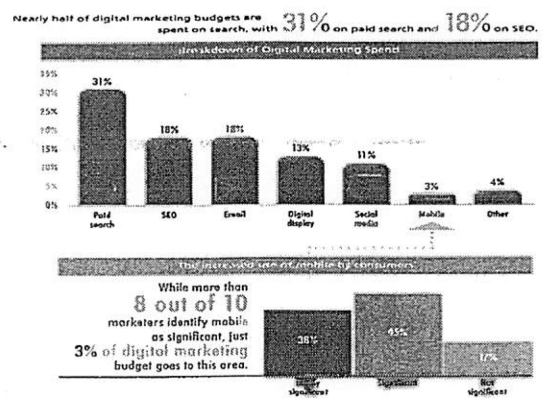
- Google Analytics
- Goal Setting
- Tag Management
- 3rd Party Analytics
- Funnel Planning
- Attribution Modelling
- Path Analysis
- Link Testing

Why Analytics Are Important

Knowing how to identify trends and interrogate data is of paramount importance to any marketing department. Analytics gives you answers to some of the most important questions you should be asking about your campaigns, maximizing effectiveness when things go well and providing solutions when things go wrong. Without this information, what appears to be a successful campaign could be failing to achieve its full potential, and there may be critical problems of which many companies may not be aware.

Digital Clarity's Unique Proposition

What really sets Digital Clarity apart is the company's ability to translate numbers into action. Analytics is extremely important, but for many, it is difficult to draw meaningful conclusions from the data, or to know how to act on the knowledge gained from this analysis. Online marketing is a sea of numbers, data and statistics; Digital Clarity turns this information into actionable insights for business.



Digital Clarity's knowledge of analytics methodologies puts us at the forefront of our industry. We can use this experience to help guide strategy and deliver action points with recommendations, rather than just presenting you with meaningless statistics. With this knowledge in hand, you can implement solutions which will help you get the most out of your online presence. Digital Clarity also offers Google Analytics training to help businessess get the most out of this powerful tool independently.

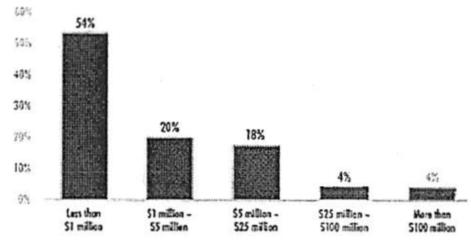
Source:
SEMPO State of Search Report 2014

As the internet and mobile arena continues to mature, the need to make sense of and manage companies through this often complex market is clearly an area of massive growth. The company is confident that the talent and experience within the digital marketing team is poised for a major springboard in 2015, but must be expanded significantly in order to support the global reach intended.

Artist Collaboration, driven by Co-Chief Operating Officer and Head, US Operations, Steve Baughman, is an area that will see exponential growth in the coming 12 months and beyond. Artists and brands that look to leverage their celebrity status will look to companies such as Digital Clarity to help drive and develop their brand in the growing and complex arena of social media.

SPEND ON DIGITAL MARKETING

More than half of responding companies, 54%, spent less than $1 million per annum on digital marketing in 2013; at the other end of the spectrum, 4% of companies spent more than $100 million.



Market Reach

The Company has reach and experience across a large number of vertical markets including, but not limited to: Entertainment/Fashion/Sports/Automotive/Ecommerce.

Relationships and Industry Contacts

The team at Digital Clarity have professional and personal contacts, including some long-term relationships, at companies such as Google, Microsoft and Facebook, often being invited to attend strategic market briefings and insights.

Partnerships, strategic alliances and agency management have allowed Digital Clarity to work on some of the biggest brands, sitting behind the agencies as a support and resource to deliver very high quality service and results to their clients.

TEAM EXPERTISE
COMPANY KEY ASSETS

Examples:

- PPC campaign experience especially Google AdWords existed
- SEO evolution from aggressive link building and onsite SEO through to strategic marketing and integration of inbound marketing
- Website design and development based on results driven design and planning
- Brand consultancy
- Social media management and advertising. Several clients have been "won" directly via Digital Clarity's internal social media strategy
- Sales and account management experience from multi-disciplined backgrounds

Evolution and Flexibility

The market is continually changing. Digital Clarity has always remained ahead of the curve and given their clients peace of mind by remaining a true strategic partner.

Creative, Individualized Solutions and Customer Service

Case Studies and testimonials reflect the client-centric approach of Digital Clarity. Being selected over larger more established firms, support that we provide the client with skills that are differentiating. The Digital Clarity Brand is being established positively.

Growth Opportunities in the Market

As the use of web mobile sites and applications grow, so do the complexities and challenges of using these sites and platforms commercially. Digital Clarity directs business through the maze of an often confusing and sophisticated set of barriers, to create a clear path for the customer to our client's product or service. As this market matures, the need for companies to rely on the services from Digital Clarity can only grow. Specifically, B2B relationships represent 69% of all U.S. e-commerce transactions (Forrester 2013). Here we look at some of the growth areas in Digital Clarity's arsenal integrating the key trends for 2015:

1. More Mobile
2. More Social
3. More Informed
4. More Experiential
5. More Real-Time
6. More Global
7. More Multichannel

These trends translate to being "always on."

Growth & Opportunities in Search

Search remains the foundation of digital marketing. Businesses now spend 24% of total marketing budget on paid search.

- The North American Search industry grew from $19 bn in 2011 to $27 bn in 2013 – SEMPO
- Revenue from Localized Mobile Ads to Reach $5.8 Billion in U.S. by 2016 – BIA/Kelsey
- U.S. search spend grew by 11 percent Year over Year, while ROI improved by 26 percent – Adobe
- 72% of Consumers Want Mobile-Friendly Sites – Google Research
- 2 million search queries are made on Google, every minute – Google
- Growth in Corporate Search – 50% of Fortune 100 Companies have a Google Plus Account

Growth & Opportunities in Social Media

"Social Media is a great platform for 'getting the word out' and generating leads. Active listening and data analytics can help companies find out what customers want, not just from products or services, but also in terms of an ongoing relationship."

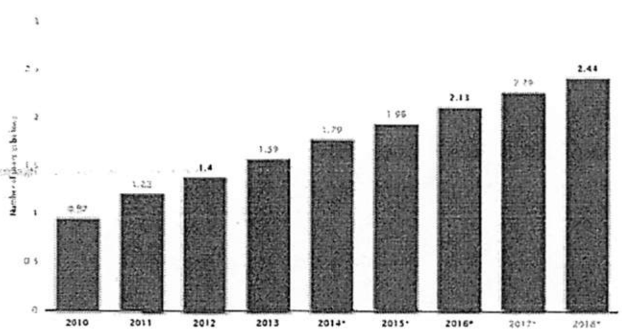
– Cap Gemini 2014 – "Generation Connected"

The algorithms developed by Digital Clarity include all social media platforms as they develop, and technology partners coupled with the client's analytics provide ROI positive results within a quarter.

Social media platforms have more user accounts than ever before:

- 284 million Twitter accounts
- 1.35 billion Facebook accounts
- 70 million Pinterest accounts

Number of social network users worldwide from 2010 to 2018 (in billions)



The need for DBMM to reach Global Markets

In 2015, it is expected that the U.S. economy will continue its recovery while the global economy is lagging behind. As the markets remain volatile, the opportunity for a company like DBMM to approach new business with its proven track record increases. The core markets remain US and English speaking European markets. Emerging markets are a target for 2015. BRIC countries (Brazil, Russia, India and China) will be key targets from the emerging markets.

Internet usage is poised for explosive growth across Asia, driving massive consumer demand for digital content and services. The biggest challenge for businesses hoping to meet this demand is how to make money will while creating low-cost content. According to McKinsey & Co, India and China are driving an emerging digital revolution via new mobile devices.

The Company intends to further extend its services in the Middle Eastern market initially then review the successes using a lean methodology and continuous improvement along the way, and then roll out to the BRIC markets.

US

The US remains the center of the entertainment, technology and digital industries and as such the emphasis looking forward to 2015 and building on the recent success in the last quarter of the 2014 calendar year means that DBMM and its agency Digital Clarity are perfectly positioned to spring board into this market using the successful models established over the last two years.

The digital market continues to be focused on London, New York and Los Angeles; therefore, DBMM's same triangle of London/New York/LA is strategically sound. We are establishing a strong digital marketing presence in the Los Angeles area to cover the entertainment and music market and then plan to have the same model in New York. Our corporate offices are located in New York, however Los Angeles remains a key regional base from which to build and expand relationships, while a New York presence is equally important to serve and build relationships in the largest advertising market in the US.

The Asian-American Market - An Unusually Attractive Opportunity

- Fast Growing: -Current Population - 13+ Million - 49% population growth 1990-2000; 29% growth 2000-2008. More Asians are emigrating to the U.S. than any other ethnic group.
- Educated & Affluent: -44% holding BA degree - vs. 28% of Non-Hispanic Whites -Median HH income almost $10K greater than Non-Hispanic Whites
- Geographically Concentrated: -More than 50% reside in 3 states alone: CA, NY, and TX.
- Money to Spend: $509 billion in annual purchasing power.
- Entrepreneurial and Driven -Own and operate 1.1 million business nationally, generating $343 billion in annual revenue.
- Cost Efficient Reach -Almost 1,000 targeted media outlets reaching Asians nationally, with lowest CPMs of all consumer segments.

Europe

As the current operations base of the digital marketing agency is in London England, it is perfectly placed to reach out to the broader European market to replicate the Company's model in the stronger economies in this region. As with the relationships mentioned in the US, opportunities were advanced with US partners to leverage Digital Clarity's reach in this region and help take established US agencies into the European region.

2014 saw new clients emerge from Europe, as well as expansion of global reach of new U.S. clients.

In 2013, the execution of this aspect of the business plan is illustrated by the agreements with VMS and Brandmini to represent them outside the United States, initially in Europe.

Middle East

The Middle East is a fertile market for heritage based US and European brands looking for entry into this lucrative market. The fastest area for growth in this sector is to leverage on the luxury arena. Digital Clarity has developed new business in a number of different luxury brands.

Given the complexity of the region as well as the enormous potential, it is important that Digital Clarity aligns itself with established players in local markets. With this in mind, Digital Clarity will look to collaborate with some digital agency partners where there is already a relationship and create a strategy that allows the company to look at the breakdown of current digital competence of these brands focusing on various touch points such as tablets, sites, mobile & social reach in the Middle East.

Our value proposition is very much about creating digital penetration of the Middle Eastern market for a particular group and how those brands would be positioned to create brand value – a byproduct of which would be sales.

Support for growth in the Middle East

- Worldwide luxury goods continues double-digit annual growth; global market now tops €200 billion
- Dubai commands around 30 per cent of Middle East luxury market and around 60 per cent of the UAE's luxury market
- The Dubai Mall accounts for around 50 per cent of Dubai's luxury purchases
- Each year, more "HENRYs"(High Earnings, Not Rich Yet) become potential customers, with ten times as many HENRYs as ultra-affluent individuals
- The rise of the middle class in emerging countries is polarizing the competitive arena, becoming a "new baby-boom sized generation" for luxury brands to target.

Financial Overview/Outlook

DBMM began the 2014 fiscal year with significant challenges, all of which were addressed and became a strong foundation for future growth. The focus remains on the growth of digital marketing services and technology driven through Digital Clarity. The cost of sales has decreased by 5% while gross profit increased by 12%. DBMM is a marketing services company which is labor intensive in order to provide a differentiating product to its clients. As such, it is imperative to raise a significant amount of capital to hire professionals who can deliver profit to the Company within a quarter. The proven model carried in our financials is each new hire/client averages a margin of 35%-55%, straight line and simple. On that basis, our target is to recruit 10-20 new staff to represent a critical mass and scale up our revenues proportionately.

Digital Clarity has a differentiating approach to its products and services by providing brand enhancement and increased ROI through a strategic alignment with its clients from content design through execution and stewardship. By providing a 360-degree product, we reinforce the relationship with the clients and become key advisors – a seat at the table, as it were. That translates to a consistent 35-55% margin and long-term clients.

However, the weakened share price remains a challenge to the Company. On that basis, in the last two years having revenues of approximately $400,000 to $500,000 would suggest a conservative market multiple of x10-x16, the latter being the manufacturing average, the market cap of DBMM should be a minimum of $5,000,000. The multiples for media tend to be at the higher end of the spectrum; therefore, compared to other companies in this sector, DBMM is significantly undervalued. The issue will be addressed as a priority early in the 2015 fiscal year.

In summary, DBMM's financing efforts have always been in short term, small amounts of working capital. That is going to change in 2015. Going forward, DBMM intends to embark on a significant capital raise to allow the Company to scale up geographically and maximize our global reach through strategic relationships. This model is the most efficient and effective path to grow DBMM quickly into multiple revenue streams. We have proven the model in the last two years. Our marketing services' offering is a labor intensive endeavor, wherein human capital is a key differentiator of knowledge and/or relationships. What we have discussed here is organic growth which will be conducted in conjunction with concluding an acquisition in the digital technology/marketing services sector.

After a very difficult year, fraught with challenges and hurdles, we see 2015 as poised for growth on multiple fronts. With capital infusion, which will allow us to bring in new clients, grow existing successful clients and service them accordingly, coupled with an offer of a deferred tax asset to attract partners with significant revenue and expansion patterns, we will have a model in place which will be sustainable.

Off-Balance Sheet Arrangements

We are not currently a party to, or otherwise involved with, any off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Recently Issued Accounting Pronouncements

Management does not believe that any recently issued, but not yet effective, accounting standards, if currently adopted, could have a material effect on the accompanying financial statements.

Significant and Critical Accounting Policies

Our discussion of the financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in conformity with accounting principles generally accepted in the United States. The preparation of our consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosure of any contingent assets and liabilities at the date of the financial statements. Management regularly reviews its estimates and assumptions, which are based on historical factors and other factors that are believed to be relevant under the circumstances. Actual results may differ from these estimates under different assumptions, estimates or conditions.

Critical accounting policies are defined as those that are reflective of significant judgments and uncertainties, and potentially result in materially different results under different assumptions and conditions. See "Notes to Consolidated Financial Statements" for additional disclosure of the application of these and other accounting policies

LIQUIDITY AND CAPITAL RESOURCES

We are concentrating on activities which will grow Digital Clarity organically and by acquisition. We have spent the last two fiscal years establishing a client model for existing and new customers which can be exported geographically.

Fiscal Year 2014

We had approximately $53,000 in cash and our working capital deficiency amounted to approximately $1.9 million at August 31, 2014.

During the year ended August 31, 2014, we used cash in our operating activities amounting to approximately $382,000. Our cash used in operating activities was comprised of our net loss of approximately $740,000 adjusted primarily for the following:

- Fair value of preferred shares issued of $144,985;
- Change in fair value of derivative liability of $89,147;
- Amortization of debt discount of $434,579;
- Gain on cancellation of accrued compensation of $ 390,462

Additionally, the following variations in operating assets and liabilities during the year ended August 31, 2014 impacted our cash used in operating activity:

- In our accounts payable and accrued expenses, including accrued compensation, of approximately $156,000, resulting from a short fall in liquidity and capital resources.

During the year ended August 31, 2014, we generated cash from financing activities of $429,450 which primarily consists of the proceeds from the issuance of loans and convertible debt aggregating $522,600 offset by principal repayments of loans payable of $70,000.

Fiscal Year 2013

We had $18,015 cash at August 31, 2013. Our working capital deficit amounted to approximately $2.1 million at August 31, 2013.

During fiscal 2013, we used cash in our operating activities amounting to approximately $334,000. Our cash used in operating activities was comprised of our net loss of approximately $677,000 adjusted for the following:

- Fair value of shares issued of approximately $107,000;
- Amortization of debt discount of approximately $178,000;
- Change in fair value of derivative liability of approximately $51,000;
- Bad debt expense of approximately $7,000;
- Depreciation of approximately $3,000;

Additionally, the following variations in operating assets and liabilities impacted our cash used in operating activity:

- An increase in our accounts payable and accrued expenses of approximately $116,000, resulting from slower payment processing due to our financial condition.
- An increase in our accrued salaries of approximately $72,000, resulting from partial payments made due to ur financial condition.
- A decrease in our accounts receivable of $14,000 resulting from a decrease in sales coupled with the Company's ability to successfully collect its fees.

During fiscal 2013, we used cash from investing activities of $611, for purchase of property and equipment.

During fiscal 2013, we generated cash from financing activities of $275,000, which consist of the proceeds from the issuance of loans and convertible notes of approximately $307,000 and a bank overdraft of approximately $23,000 offset by principal repayments on such debt amounting to approximately $55,000.

Going Concern

The report of independent registered public accounting firm accompanying our August 31, 2014 and 2013 audited consolidated financial statements contains an explanatory paragraph expressing substantial doubt about our ability to continue as a going concern. The consolidated financial statements have been prepared "assuming that the Company will continue as a going concern." Our ability to continue as a going concern is dependent on raising additional capital to fund our operations and ultimately on generating future profitable operations. There can be no assurance that we will be able to raise sufficient additional capital or eventually have positive cash flow from operations to address all of our cash flow needs. If we are not able to find alternative sources of cash or generate positive cash flow from operations, our business and shareholders will be materially and adversely affected.

These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

RESULTS OF OPERATIONS

Comparison of the Results for the Years Ended August 31, 2014 and 2013

Consolidated Operating Results

	For the Year Ended August 31, 2014	2013	Increase/ (Decrease) $ 2014 vs 2013	Increase/ (Decrease) % 2014 vs 2013
SALES	$ 417,607	$ 408,505	$ 9,102	2%
COST OF SALES	222,583	234,369	(11,786)	-5%
GROSS PROFIT	195,024	174,136	20,888	12%
COSTS AND EXPENSES				
General and administrative	203,431	211,320	(7,889)	-4%
Compensation Expense	381,220	311,160	70,060	23%
Legal and professional fees	276,958	55,748	221,210	397%
Gain on cancellation of accrued compensation	(390,462)	-	-	-
TOTAL OPERATING EXPENSES	472,799	581,210	(108,411)	-19%
OPERATING LOSS	(277,775)	(407,074)	(129,299)	-32%
OTHER INCOME (EXPENSE)				
Interest expense	(550,906)	(282,701)	(268,205)	95%
Gain on derivative liability	89,147	50,499	38,648	77%
Loss on extinguishment of debt	-	(37,279)	37,279	100%
TOTAL OTHER INCOME (EXPENSE)	(461,759)	(269,481)	192,278	NM
NET LOSS	$ (739,534)	$ (676,555)	$ 62,979	NM

NM: Not meaningful

We currently generate revenue through our Pay-Per-Click Advertising, Search Engine Marketing, Search Engine Optimization Services, Web Design, Social Media, Digital analytics and Advisory Services.

For the year ended August 31, 2014 our primary sources of revenue are the Per-Click Advertising, Web Design, and Search Engine Optimization Services. These primary sources amounted to 31%, 19% and 43% of our revenues during the year ended August 31, 2014. Our secondary sources of revenue are our Social Media and Email Media. These secondary sources amounted to approximately 6% our revenues during fiscal 2014.

We recognize revenue upon the completion of our performance obligation, provided that: (1) evidence of an arrangement exists; (2) the arrangement fee is fixed and determinable; and (3) collection is reasonably assured.

The increase in our revenues during fiscal 2014, when compared to the prior year period, is primarily attributable to an increase in volume of transactions from Search Engine Optimization and Web Design Services during fiscal 2014.

Cost of sales during fiscal 2014 and 2013 is correlated to our revenues for the respective periods.

In 2014 and 2013, cost of sales consisted of advertising, salaries and media spend. This resulted in gross margins of approximately $195,000 and $174,000 for the fiscal year 2014 and 2013, respectively.

The general and administrative costs during fiscal 2014, remains at comparable levels when compared to the prior year period.

The increase in compensation expense during the fiscal 2014 is primarily attributable to a grant of preferred shares as bonus to certain of its officers which occurred during the first quarter of fiscal 2014 and which value was higher than the one granted in fiscal year 2013.

The increase in legal and professional fees in fiscal 2014 when compared to the comparable prior year period is primarily due to the non-recurring de-recognition of the consideration associated with the Brand Entertain agreement in fiscal 2013.

Interest expense, which include interest accrued on certain notes, as well as amortization of debt discount and the fair value of shares issued pursuant to embedded conversion features of certain convertible promissory notes, increased during fiscal 2014 is primarily attributable to the amortization of debt discount, during fiscal 2014, when compared to the comparable prior year periods. The increase in amortization of debt discount is primarily due to the issuance of a larger amount of convertible debt with beneficial conversion features and embedded conversion features during fiscal 2014 than the prior year periods.

Gain on cancellation of accrued compensation amounted to $390,462 during fiscal 2014. There were no such gains during fiscal 2013.

The increase on derivative liabilities is primarily attributable to a change in fair value of derivative liabilities between measurement dates.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

As a "smaller reporting company", as defined by Rule 10(f)(1) of Regulation S-K, the Company is not required to provide this information.

ITEM 8. CONSOLIDATED FINANCIAL STATEMENTS

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

D'Arelli Pruzansky, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors
Digital Brand Media & Marketing Group, Inc.

We have audited the accompanying consolidated balance sheets of Digital Brand Media & Marketing Group, Inc. and Subsidiaries as of August 31, 2014 and 2013 and the related consolidated statements of operations and comprehensive loss, changes in stockholders' deficit, and cash flows for each of the two years in the period ended August 31, 2014. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Digital Brand Media & Marketing Group, Inc. and Subsidiaries as of August 31, 2014 and 2013 and the results of their operations and their cash flows for each of the two years in the period ended August 31, 2014, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has incurred a net loss of approximately $740,000 for the year ended August 31, 2014 and the Company had an accumulated deficit of approximately $11,600,000 and a working capital deficit of approximately $1,900,000 at August 31, 2014. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regards to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ D'Arelli Pruzansky, P.A.
Certified Public Accountants

Boca Raton, Florida
February 13, 2015

7280 W. Palmetto Park Road, Suite 308-N • Boca Raton, Florida 33433 • Phone: 561.756.9250 • Fax: 561.826.8936

DIGITAL BRAND MEDIA & MARKETING GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

		August 31, 2014		August 31, 2013
ASSETS				
CURRENT ASSETS				
Cash	$	52,747	$	18,015
Accounts receivable, net		74,511		35,520
Prepaid expenses and other current assets		1,481		6,357
Total current assets		128,739		59,892
Property and equipment - net		6,223		1,915
TOTAL ASSETS	$	134,962	$	61,807
LIABILITIES AND STOCKHOLDERS' DEFICIT				
CURRENT LIABILITIES				
Accounts payable and accrued expenses	$	377,765	$	342,384
Accrued interest		65,152		30,353
Bank overdraft		-		23,150
Accrued compensation		470,640		737,849
Loans payable		218,300		492,000
Derivative liability		305,207		151,329
Convertible debentures, net		552,063		341,588
TOTAL CURRENT LIABILITIES	$	1,989,127	$	2,118,653
STOCKHOLDERS' DEFICIT				
Preferred stock, Series 1, par value .001; authorized 2,000,000 shares; 870,185 and 993,407 shares issued and outstanding		870		993
Preferred stock, Series 2, par value .001; authorized 2,000,000 shares; 0 and 0 shares issued and outstanding		-		-
Common stock, par value .001; authorized 10,000,000,000 shares; 3,613,790,986 and 38,069,489 shares issued and outstanding		3,613,790		38,069
Additional paid in capital		6,114,623		8,739,662
Other comprehensive loss		(12,796)		(4,452)
Accumulated deficit		(11,570,652)		(10,831,118)
TOTAL STOCKHOLDERS' DEFICIT	$	(1,854,165)	$	(2,056,846)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$	134,962	$	61,807

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

	For the Year Ended August 31, 2014	2013
SALES	$ 417,607	$ 408,505
COST OF SALES	222,583	234,369
GROSS PROFIT	195,024	174,136
COSTS AND EXPENSES		
General and administrative	203,431	211,320
Compensation Expense	381,220	311,160
Legal and professional fees	276,958	55,748
Gain on cancellation of accrued compensation	(390,462)	-
Depreciation	1,652	2,982
TOTAL OPERATING EXPENSES	472,799	581,210
OPERATING LOSS	(277,775)	(407,074)
OTHER INCOME (EXPENSE)		
Interest expense	(550,906)	(282,701)
Gain on derivative liability	89,147	50,499
Loss on extinguishment of debt		(37,279)
TOTAL OTHER INCOME (EXPENSE)	(461,759)	(269,481)
NET LOSS	$ (739,534)	$ (676,555)
OTHER COMPREHENSIVE LOSS		
Foreign exchange translation	(8,344)	(1,011)
COMPREHENSIVE LOSS	$ (747,878)	$ (677,566)
NET LOSS PER SHARE		
Basic and diluted	$ (0.00)	$ (0.04)
WEIGHTED AVERAGE NUMBER OF SHARES		
Basic and diluted	1,150,822,156	18,544,305

See Notes to Consolidated Financial Statements

DIGITAL BRAND MEDIA & MARKETING GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED AUGUST 31, 2014 AND 2013

	Series 1 Preferred Stock		Series 2 Preferred Stock		Common Stock		Additional Paid in Capital	Accumulated Deficit	Other Comprehensive Income (Loss)	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance, August 31, 2012	955,388	955	2,000,000	2,000	7,500,000	7,500	8,698,712	(10,154,563)	(3,441)	(1,448,837)
Common stock upon conversion of convertible debt	-	-	-	-	2,027,975	2,028	64,994	-	-	67,022
Shares issued for conversion of accounts payable	41,995	42	-	-	-	-	2,631	-	-	2,673
Shares issued to officers as bonus	533,637	534	-	-	-	-	106,626	-	-	107,160
Cancellation of preferred shares issued for compensation	-	-	(2,000,000)	(2,000)	-	-	(217,798)	-	-	(219,798)
Common stock issued in connection with conversion of preferred shares	(538,113)	(538)	-	-	28,541,514	28,541	(28,003)	-	-	-
Beneficial conversion feature in connection with convertible debt	-	-	-	-	-	-	112,500	-	-	112,500
Net loss	-	-	-	-	-	-	-	(676,555)	-	(676,555)
Other Comprehensive Loss	-	-	-	-	-	-	-	-	(1,011)	(1,011)
	-	-	-	-	-	-	-	-	-	-
Balance, August 31, 2013	993,407	993	-	-	38,069,489	38,069	8,739,662	(10,831,118)	(4,452)	(2,056,846)
Common stock upon conversion of convertible debt	-	-	-	-	3,198,858,428	3,198,858	(2,714,713)	-	-	484,145
Common stock issued in connection with accrued interest and fees	-	-	-	-	349,906,974	349,907	(271,503)	-	-	78,404
Shares issued to officers as bonus	385,000	385	-	-	-	-	144,600	-	-	144,985
Common stock issued in connection with conversion of preferred shares	(508,222)	(508)	-	-	26,956,095	26,956	(26,448)	-	-	-
Beneficial conversion feature in connection with convertible debt	-	-	-	-	-	-	243,025	-	-	243,025
Net loss	-	-	-	-	-	-	-	(739,534)	-	(739,534)
Other Comprehensive Loss	-	-	-	-	-	-	-	-	(8,344)	(8,344)
Balance, August 31, 2014	870,185	870	-	-	3,613,790,986	3,613,790	6,114,623	(11,570,652)	(12,796)	(1,854,165)

See Notes to Consolidated Financial Statements

DIGITAL BRAND MEDIA & MARKETING GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Year Ended August 31, 2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (739,534)	$ (676,555)
Adjustments to reconcile net loss to net cash used in operating activities:		
Fair value of preferred shares issued for services	144,985	107,160
Loss on debt modification	13,000	-
Depreciation	1,652	2,982
Amortization of debt discount	434,579	177,535
Gain on derivative liability	(89,147)	(50,499)
Gain on cancellation of accrued compensation	(390,462)	-
Fair Value of common stock for debt restructuring	-	77,430
Preferred shares cancelled	-	(219,798)
Loss on extinguishment of debt	-	37,279
Bad debt expense	-	7,207
Conversion of accrued interest and fees into preferred stock	-	2,673
Changes in operating assets and liabilities:		
Accounts receivable	(38,991)	13,638
Prepaid expenses and other current assets	4,876	(1,278)
Accounts payable and accrued expenses	33,770	116,324
Accrued interest	119,953	-
Accrued compensation	123,253	72,258
NET CASH USED IN OPERATING ACTIVITIES	(382,066)	(333,644)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(4,308)	(611)
NET CASH USED IN INVESTING ACTIVITIES	(4,308)	(611)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank overdraft	(23,150)	23,150
Proceeds from convertible debentures	270,000	177,500
Proceeds from loan payable	252,600	129,500
Payment made for loan payable	(70,000)	(55,000)
NET CASH PROVIDED BY FINANCING ACTIVITIES	429,450	275,150
NET INCREASE (DECREASE) IN CASH	43,076	(59,105)
EFFECT OF VARIATION OF EXCHANGE RATE OF CASH HELD IN FOREIGN CURRENCY	(8,344)	(1,011)
CASH - BEGINNING OF PERIOD	18,015	78,131
CASH - END OF PERIOD	$ 52,747	$ 18,015
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ -	$ 8,000
Non-cash investing and financing activities:		
Restructuring of convertible debt	$ -	$ 110,000
Assignment of loan payable to convertible loan	$ 456,300	$ 44,000
Conversion of convertible notes payable into common stock	$ 484,145	$ 67,022
Embedded conversion features	$ 480,025	$ 89,000
Beneficial conversion feature	$ 243,025	$ 112,500
Conversion of Series I preferred stock into common stock	$ 508	$ 538
Conversion of accrued interest and fees to common stock	$ 78,404	$ -

See Notes to Consolidated Financial Statements

DIGITAL BRAND MEDIA & MARKETING GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION, BASIS OF PRESENTATION AND GOING CONCERN

Nature of Business and History of the Company

Digital Brand Media & Marketing Group, Inc. (f/k/a RTG Ventures, Inc.) is an OTC:PK listed company. The Company was organized under the laws of the State of Florida on September 29, 1998.

The Company also strategically focuses on developing the business of its wholly owned and revenue generating online marketing services company, Digital Clarity. With deep DNA in its operating market, blending the services of an experienced professional workforce leveraging a technology offering would position the company in a strong, forward looking structure. Digital Clarity operates in the growing area of digital marketing that helps companies make the most the digital economy focusing on areas such as Search Engine Marketing (Google, Yahoo! & Bing), Social Media (Twitter, Facebook & LinkedIn) and Internet Strategy Planning including Design, Analytics and Mobile Marketing.

During the last quarter of fiscal 2012, the Company entered into an agreement with BrandEntertain. Digital Brand Media & Marketing Group, Inc. (f/k/a RTG Ventures, Inc.) and Brand Entertain agreed to restructure their agreement retroactively to June 11, 2012. BrandEntertain is a partnership and there were certain issues with partnership financials which suggested the business combination be construed as a collaboration/cooperative venture, rather than an acquisition. Upon analysis, one year following the initial transaction, the agreement was rescinded and no consideration was received by BrandEntertain.

On March 5, 2013, Digital Brand Media & Marketing Group, Inc. filed a Certificate of Amendment to its Articles of Incorporation to change its name from "RTG Ventures, Inc." to "Digital Brand Media & Marketing Group, Inc." In connection with the name change, the Company's trading symbol changed from "RTGV" to "DBMM" (the "Symbol Change"). The Amendment was effective as of March 20, 2013. The Name Change and Symbol Change have been reflected in the Company's ticker symbol as of April 8, 2013.

Also on March 5, 2013, a 100 to 1 reverse stock split went effective. All reference to Common Stock shares and per share amounts have been retroactively restated to effect the reverse stock split as if the transaction had taken place as of the beginning of the earliest period presented.

A summary of the business is: DBMM Group crafts, designs and executes digital marketing strategies across multiple ad platforms and social media networks for a broad array of clients to help each of them establish a uniform brand identity across the digital universe. The product offering is a unique value proposition of intelligent analytics provided by an experienced digital marketing and technology team. Therefore DBMM Group is a blend of data, strategy and creative execution.

Going Concern

The accompanying consolidated financial statements have been prepared on a going concern basis. The Company has an accumulated deficit of approximately $11.6M and a negative working capital at August 31, 2014 of approximately $1.9M. The Company has incurred a net loss of approximately $740,000 for the year ended August 31, 2014. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due, and to generate profitable operations in the future. Management plans to continue to provide for its capital requirements by seeking long term financing which may be in the form of additional equity securities and debt. The outcome of these matters cannot be predicted at this time and there are no assurances that if achieved, the Company will have sufficient funds to execute its business plan or generate positive operating results.

These matters, among others, raise substantial doubt about the ability of the Company to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary RTG Ventures (Europe), Ltd. All significant inter-company transactions are eliminated.

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of cash in banks. The Company considers cash equivalents to include all highly liquid investments with original maturities of three months or less to be cash equivalents. The Company had no cash equivalents as of August 31, 2014 or 2013.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded at the invoiced amount and do not bear interest. Accounts receivable are presented net of allowance for doubtful accounts.

The Company has a policy of reserving for uncollectible accounts based on its best estimate of the amount of probable credit losses in its existing accounts receivable. The Company periodically reviews its accounts receivable to determine whether an allowance is necessary based on an analysis of past due accounts and other factors that may indicate that the realization of an account may be in doubt. Account balances deemed to be uncollectible are charged to the bad debt expense after all means of collection have been exhausted and the potential for recovery is considered remote. At August 31, 2014 and August 31, 2013, the Company recognized $0 and $7,207, respectively, as the allowance for doubtful accounts.

Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets (primarily three to five years).

Revenue Recognition

The Company follows the guidance of ASC Topic 605, formerly, SAB 104 for revenue recognition. In general, the Company records revenue when persuasive evidence of an arrangement exists, services have been rendered, the sales price to the customer is fixed or determinable, and collectability is reasonably assured.

Advertising Costs

Advertising costs, which are included in cost of sales and general and administrative expenses in the accompanying Statements of Operations, are expensed when incurred. Total advertising expenses for fiscal year 2014and 2013 amounted to $ 2,299 and $6,503, respectively.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Company follows the provisions of the ASC 740 -10 related to, *Accounting for Uncertain Income Tax Positions.* When tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would be ultimately sustained. In accordance with the guidance of ASC 740-10, the benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold are measured as the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above should be reflected as a liability for uncertain tax benefits in the accompanying balance sheet along with any associated interest and penalties that would be payable to the taxing authorities upon examination. The Company believes its tax positions are all highly certain of being upheld upon examination. As such, the Company has not recorded a liability for uncertain tax benefits. The Company's tax returns for tax years ended August 31, 2014, 2013 and 2012 remain open to examination by the taxing authorities.

The Company has adopted ASC 740-10-25 *Definition of Settlement,* which provides guidance on how an entity should determine whether a tax position is effectively settled for the purpose of recognizing previously unrecognized tax benefits and provides that a tax position can be effectively settled upon the completion of an examination by a taxing authority without being legally extinguished. For tax positions considered effectively settled, an entity would recognize the full amount of tax benefit, even if the tax position is not considered more likely than not to be sustained based solely on the basis of its technical merits and the statute of limitations remains open.

Earnings (loss) per common share

The Company utilizes the guidance per FASB Codification "ASC 260 "Earnings Per Share". Basic earnings per share is calculated on the weighted effect of all common shares issued and outstanding, and is calculated by dividing net income available to common stockholders by the weighted average shares outstanding during the period. Diluted earnings per share, which is calculated by dividing net income available to common stockholders by the weighted average number of common shares used in the basic earnings per share calculation, plus the number of common shares that would be issued assuming conversion of all potentially dilutive securities outstanding, is not presented separately as it is anti-dilutive. Such securities have been excluded from the per share computations as of August 31, 2014 and 2013. Anti-dilutive securities, which consists of shares issuable pursuant to convertible promissory notes, amounted to 60,607,503 and 60,607,503 at August 31, 2014 and 2013, respectively.

Derivative Liabilities

The Company assessed the classification of its derivative financial instruments as of August 31, 2014, which consist of convertible instruments and rights to shares of the Company's common stock, and determined that such derivatives meet the criteria for liability classification under ASC 815.

ASC 815 generally provides three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments. These three criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument subject to the requirements of ASC 815. ASC 815 also provides an exception to this rule when the host instrument is deemed to be conventional, as described.

During the years ended August 31, 2014 and 2013, the Company had notes payable outstanding in which the conversion rate was variable and undeterminable. Accordingly, the Company has recognized a derivative liability in connection with such instruments. The Company uses judgment in determining the fair value of derivative liabilities at the date of issuance at every balance sheet thereafter and in determining which valuation is most appropriate for the instrument (e.g., Binomial method), the expected volatility, the implied risk free interest rate, as well as the expected dividend rate.

Fair Value of Financial Instruments

Effective January 1, 2008, the Company adopted FASB ASC 820-Fair Value Measurements and Disclosures, or ASC 820, for assets and liabilities measured at fair value on a recurring basis. ASC 820 establishes a common definition for fair value to be applied to existing generally accepted accounting principles that require the use of fair value measurements establishes a framework for measuring fair value and expands disclosure about such fair value measurements. The adoption of ASC 820 did not have an impact on the Company's financial position or operating results, but did expand certain disclosures.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized below.

Level 1 Observable inputs such as quoted market prices in active markets for identical assets or liabilities.

Level 2 Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3 Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions.

The Company did not have any Level 2 or Level 3 assets or liabilities as of August 31, 2014, with the exception of its derivative liability which are valued based on Level 3 inputs.

Cash is considered to be highly liquid and easily tradable as of August 31, 2014 and therefore classified as Level 1 within our fair value hierarchy.

In addition, FASB ASC 825-10-25 Fair Value Option, or ASC 825-10-25, was effective January 1, 2008. ASC 825-10-25 expands opportunities to use fair value measurements in financial reporting and permits entities to choose to measure many financial instruments and certain other items at fair value. The Company did not elect the fair value options for any of its qualifying financial instruments.

Convertible Instruments

The Company evaluates and accounts for conversion options embedded in its convertible instruments in accordance with professional standards for "Accounting for Derivative Instruments and Hedging Activities".

Professional standards generally provides three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments. These three criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument. Professional standards also provide an exception to this rule when the host instrument is deemed to be conventional as defined under professional standards as "The Meaning of "Conventional Convertible Debt Instrument".

The Company accounts for convertible instruments (when it has determined that the embedded conversion options should not be bifurcated from their host instruments) in accordance with professional standards when "Accounting for Convertible Securities with Beneficial Conversion Features," as those professional standards pertain to "Certain Convertible Instruments." Accordingly, the Company records, when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt to their earliest date of redemption. The Company also records when necessary deemed dividends for the intrinsic value of conversion options embedded in preferred shares based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note.

ASC 815-40 provides that, among other things, generally, if an event is not within the entity's control could or require net cash settlement, then the contract shall be classified as an asset or a liability.

Stock Based Compensation

We account for the grant of stock options and restricted stock awards in accordance with ASC 718, "Compensation-Stock Compensation." ASC 718 requires companies to recognize in the statement of operations the grant-date fair value of stock options and other equity based compensation.

Foreign Currency Translation

Assets and liabilities of subsidiaries operating in foreign countries are translated into U.S. dollars using either the exchange rate in effect at the balance sheet date or historical rate, as applicable. Results of operations are translated using the average exchange rates prevailing throughout the year. The effects of exchange rate fluctuations on translating foreign currency assets and liabilities into U.S. dollars are included in a separate component of stockholders' equity (accumulated other comprehensive loss), while gains and losses resulting from foreign currency transactions are included in operations.

Business Combinations

In accordance with Accounting Standards Codification 805, "Business Combinations" ("ASC 805") the Company records acquisitions under the purchase method of accounting, under which the acquisition purchase price is allocated to the assets acquired and liabilities assumed based upon their respective fair values. The Company utilizes management estimates and, in some instances, may require an independent third-party valuation firm to assist in determining the fair values of assets acquired, liabilities assumed and contingent consideration granted. Such estimates and valuations require us to make significant assumptions, including projections of future events and operating performance.

Customer Concentration

Three of the Company's customers accounted for approximately 60% and 43% of its revenues during fiscal 2014 and 2013, respectively.

Recently Issued Accounting Pronouncements

A variety of accounting standards have been issued or proposed by FASB that do not require adoption until a future date. We regularly review all new pronouncements that have been issued since the filing of our Form 10-K for the year ended August 31, 2014 to determine their impact, if any, on our financial statements. The Company does not expect the adoption of any of these standards to have a material impact once adopted.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	Estimated life	August 31, 2014	August 31, 2013
Computer and office equipment	3 to 5 years	$ 14,949	$ 8,989
Less: Accumulated depreciation		(8,726)	(7,074)
		$ 6,223	$ 1,915

Depreciation expense amounted to $1,652 and $2,982 for the years ended August 31, 2014 and 2013 respectively.

NOTE 4 - LOANS PAYABLE

	August 31, 2014	August 31, 2013
Loans payable	$ 218,300	$ 492,000

The loans payable are due on demand, are unsecured, and are non-interest bearing.

During the year ended August 31, 2014 and 2013, the Company modified terms with existing or new lenders for loans payable aggregating $456,300 and $44,000, respectively. Substantially all modifications consist in adding conversion terms to such notes.

During the year ended August 31, 2014 and 2013, the Company made principal repayments aggregating $70,000 and $55,000.

During the year ended August 31, 2014 and 2013, the Company generated proceeds of $252,600 and $129,500 from loans payable, respectively.

NOTE 5 – CONVERTIBLE DEBENTURES

At August 31, 2014 and August 31, 2013 convertible debentures consisted of the following:

	August 31, 2014	August 31, 2013
Convertible notes payable	$ 688,751	$ 432,831
Unamortized debt discount	(136,688)	(91,243)
Total	$ 552,063	$ 341,588

The convertible notes payable mature through July 2015, some of which are payable on demand and they bear interest at ranges between 6% and 15%. The convertible promissory notes are convertible at ratios varying between 40% and 70% of the closing price at the date of conversion through, at its most favorable terms for the holders, the average of the three lowest closing bids for a period of 45 days prior to conversion. As of August 31, 2014, an aggregate of $323,918 of convertible promissory notes have matured, and remain unpaid.

During the year ended August 31, 2014 and 2013, the Company modified terms with existing or new lenders for convertible notes aggregating $456,300 and $44,000, respectively. Substantially all modifications consist in adding conversion terms to such notes.

During the year ended August 31, 2014 and 2013, the Company issued 3,198,858,428 and 2,027,975 shares of its common stock, respectively, to satisfy its obligations under conversion features of convertible debt aggregating $484,145 and $67,022, respectively. During fiscal year 2014, 349,906,974 shares of its common stock were issued pursuant to conversion notices and to satisfy interest expenses pursuant to certain convertible promissory notes amounting to $78,404, which was recorded as interest expense.

During the years ended August 31, 2014 and 2013, the Company generated proceeds of $270,000 and $177,500, respectively, from the issuance of convertible promissory notes payable.

NOTE 6 - DERIVATIVE LIABILITIES

The Company accounts for the embedded conversion features included in its convertible instruments as derivative liabilities. The aggregate fair value of derivative liabilities at August 31, 2014 and 2013 amounted to $305,207 and $151,329, respectively. In addition, for the year ended August 31, 2014 and 2013, the Company has recorded a gain related to the change in fair value of the derivative liability amounting to $89,147 and $50,499, respectively. At each measurement date, the fair value of the embedded conversion features was based on the lattice binomial method using the following assumptions:

	Year Ended August 31, 2014	Year Ended August 31, 2013
Effective Exercise price	$.0001 - 0.0008	$0.0004 - 0.0172
Effective Market price	$.0001 - 0.0008	$.0006 - 0.0153
Volatility	171 - 208%	157 - 411%
Risk-free interest	0.05-0.11%	0.04 - 0.13%
Terms	1-365 days	1-365 days
Expected dividend rate	0%	0%

Changes in the derivative liabilities during the year ended August 31, 2014 and 2013 are as follows:

Balance at September 1, 2012	$ 112,828
Embedded conversion features at issuance	89,000
Changes in fair value of derivative liabilities	(50,499)
Balance, August 31, 2013	$ 151,329
Balance at September 1, 2013	$ 151,329

Embedded conversion features at issuance	243,025
Changes in fair value of derivative liabilities	(89,147)
Balance, August 31, 2014	$ 305,207

NOTE 7 – ACCRUED COMPENSATION

As of August 31, 2014 and 2013 the Company owes $470,640 and $737,849 respectively, in accrued compensation to certain directors and consultants. The amounts are non-interest bearing.

During fiscal year 2014, the Company recognized a gain on cancellation of debt of $390,462 in connection with accrued compensation.

NOTE 8 - COMMON STOCK AND PREFERRED STOCK

Preferred Stock- Series 1 and 2

The designation of the Preferred Stock- Series 1 is as follows: Authorized 2,000,000 shares, par value of $0.001. One share of the Company's Preferred Stock- Series is convertible into 53.04 shares of the Company's common stock, at the holder's option and with the Company's acquiescence, and has three votes per share.

The designation of the Preferred Stock- Series 2 is as follows: Authorized 2,000,000 shares, par value of $0.001. One share of the Company's Preferred Stock- Series is convertible into one share of the Company's common stock, at the holder's option and with the Company's acquiescence, and has no voting rights.

During July 2014, the Company increased its number of authorized shares of common stock to 10,000,000,000. Its preferred stock remains at 4,000,000, authorized shares both with $0.001 par value.

On March 5, 2013, Digital Brand Media & Marketing Group, Inc. received approval from the Financial Industry Regulatory Authority (FINRA) for its 100 to 1 reverse stock split. All shares have been retroactively adjusted to reflect the 100 to 1 reverse stock split.

During the year ended August 31, 2014, and 2013, the Company issued 3,198,858,428 and 2,027,975 shares, respectively, of its common stock to satisfy its obligations under conversion features of convertible debt aggregating $484,145 and $67,022, respectively. Additionally, the Company issued 349,906,974 shares of its common stock to satisfy interest pursuant to certain convertible promissory notes. The fair value of the shares of common stock amounted to $78,404, which has been recorded as interest expense.

In November 2012, 41,995 shares of Preferred Stock-Series 1 Designation were issued for an accrual to satisfy a debt. These shares are valued at $2,673.

In November 2012, 433,637 shares of Preferred Stock-Series 1 Designation were issued to four officers of the Company. These shares are valued at $27,600.

In October 2013, 385,000 shares of Preferred Stock-Series 1 Designation were issued to three officers of the Company. These shares are valued at $144,985, based on the trading price of the common shares into which the preferred shares are convertible. This amount was recorded as compensation expense.

NOTE 9 - EMPLOYMENT AND CONSULTING AGREEMENTS

In April, 2010 a term sheet was agreed with Neil Gray as Chairman and Executive Director of the Company. The term was an initial three years, renewable annually beginning on September 1st, the beginning of the fiscal year.

In September 2010 a term sheet was agreed with a Company Director, Linda Perry, for annual remuneration of $150,000 for her role as a consultant and as Executive Director for US interface to provide oversight regarding external regulatory reporting requirements. In addition, Ms. Perry is the lead executive for capital funding requirements and business development. The agreement had a rolling three year term and was renewed in September 2013.

In April, 2011 a term sheet was agreed with a Company Officer, Reggie James, where remuneration was split between his duties as Senior Vice President and Executive Director of DBMM and Digital Clarity. Mr. James was appointed Co-Chief Operating Officer during fiscal year 2013. In conjunction with his appointment to the Company's Board of Directors, the agreement provides for a monthly compensation of $4,500.

In June, 2012 a term sheet was agreed with a Company Officer, Steve Baughman, as Head of US Operations with a sign on bonus of 50,000 preferred shares, His compensation is performance-based, reflecting multiple projects and business development activities. Mr. Baughman was appointed Co-Chief Operating Officer during fiscal year 2013. The Company may award additional stock-based compensation, at its option.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

Leases

The company has a long term commitment under a lease for office space. In April 2012, Stylar Limited (a/k/a Digital Clarity) entered in to a 5 year lease. Under the terms of the current lease the annual base rent is approximately $17,000. This office is located in the UK.

The Company's lease commitment for the next five years is as follows:

Fiscal 2015	$ 17,000
Fiscal 2016	17,000
Fiscal 2017	11,333

Legal Proceedings

The Company is involved in a litigation, Asher Enterprises, Inc. v. Digital Brand Media & Marketing Group, Inc. and Linda Perry, Index No. 600717/2014, in the Supreme Court of the State of New York, sitting in the County of Nassau. The Plaintiff alleges $337,500 in damages based on breach of contract allegations arising from the Company's untimely periodic filings in December 2013. On September 18, 2014, the Court declined to grant the plaintiff's application for default judgment. The cross-motion for the Company was granted and the lender was directed to file a verified answer in the form submitted within 20 days. The Company plans on vigorously defending the litigation.

NOTE 11 - INCOME TAXES

For the years ended August 31, 2014 and 2013, the benefit for income taxes differed from the amounts computed by applying the statutory federal income tax rate of 34 percent to loss before provision for income taxes. The reconciliation is as follows:

	Year Ended August 31, 2014	2013
Benefit computed at statutory rate	$ (251,000)	$ (230,000)
State tax (benefit), net of federal affect	(81,000)	27,000
Permanent differences (primarily amortization of debt discount)	220,000	105,000
Effect of change in state & local tax rates applied	(312,000)	-
Increase in valuation allowance	424,000	152,000
Net income tax benefit	$ -	$ -

The Company has net operating loss carry-forwards for income tax totaling purposes approximately $4.2 million at August 31, 2014 which expire at various times through 2034. A significant portion of these carry-forwards is subject to annual limitations due to "equity structure shifts" or "owner shifts" involving "five percent shareholders" (as defined in the Internal Revenue Code) which results in a more than fifty percent change in ownership.

The net deferral tax asset is as follows:

	Year Ended August 31, 2014	2013
Net operating loss carry-forward	$ 1,897,000	$ 1,405,000
Accrued officer compensation	212,000	280,000
Valuation allowance	(2,109,000)	(1,685,000)
Net deferred tax asset	$ -	$ -

The valuation allowance increased by $424,000 during the fiscal year ended August 31, 2014.

NOTE 12 - FOREIGN OPERATIONS

As of August 31, 2014, all of our revenues and a majority of our assets are associated with subsidiaries located in the United Kingdom. Assets at August 31, 2014 and revenues for the year ended August 31, 2014 were as follows:

	United States	Great Britain	Total
Revenues	-	$ 417,607	$ 417,607
Total revenues	-	$ 417,607	$ 417,607
Identifiable assets at August 31, 2014	$ 4,564	$ 130,398	$ 134,962

As of August 31, 2013, all of our revenues and a majority of our assets are associated with subsidiaries located in the United Kingdom. Assets at August 31, 2013 and revenues for fiscal 2013 were as follows:

	United States	Great Britain	Total
Revenues	-	$ 408,505	$ 408,505
Total revenues	-	$ 408,505	$ 408,505
Identifiable assets at August 31, 2013	-	$ 61,807	$ 61 807

NOTE 13 - SUBSEQUENT EVENTS

The Company management has evaluated events occurring subsequent to August 31, 2014 through February 13, 2015, the date that these consolidated financial statements were issued.

Debt issuance

Subsequent to August 31, 2014, the Company received approximately $95,000 in consideration for the issuance of convertible debentures.

Debt Conversions

Subsequent to August 31, 2014, the Company issued approximately 701,183,781 shares of common stock pursuant to conversions of convertible debentures.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures. We are required to maintain "disclosure controls and procedures" as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934. Based on their evaluation as of the end of the period covered by this Annual Report on Form 10-K/A, our Executive Director, who serves as our Principal Executive Officer and as our Principal Financial Officer, has concluded that our disclosure controls and procedures were effective to ensure that the information relating to our company, required to be disclosed in our Securities and Exchange Commission reports (i) is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and (ii) is accumulated and communicated to our management, including our Executive Director, to allow timely decisions regarding required disclosure as a result of material weaknesses in our internal control over financial reporting.

The Company has developed its control process to provide reasonable assurance of: i) reliability of financial reporting; ii) effectiveness and efficiency of operations; iii) compliance with applicable laws, rules, and regulations; [AU §319.06] iv) the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the issuer; v) reasonable assurances that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the issuer are being made only in accordance with authorizations of management and directors of the issuer; and vi) reasonable assurances regarding prevention or timely detection of unauthorized acquisition, use or disposition of the issuer's assets that could have a material effect on the financial statements; vii) reasonable assurances that the Company records, processes, summarizes and reports, within the time periods specified .[17 CFR §240/Exchange Act 13A-15 e) and f)] In doing this self-assessment, the Company has taken into account the size of the Company and the complexity of the transactions it conducts. The Company has concluded that the controls and procedures are materially sufficient to comply with the aforementioned internal control processes.

Management's Report on Internal Control over Financial Reporting. Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that: pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the consolidated financial statements.

Because of the inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

This annual report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit us to provide only management's report in this Annual Report on Form 10-K.
Changes in Internal Control over Financial Reporting. There have been no changes in our internal control over financial reporting during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART III MANAGEMENT

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Executive Officers and Directors

The following table sets forth certain information, as of August 31, 2014, with respect to our directors and executive officers.

Directors serve until the next annual meeting of the stockholders; until their successors are elected or appointed and qualified, or until their prior resignation or removal. Officers serve for such terms as determined by our board of directors. Each officer holds office until such officer's successor is elected or appointed and qualified or until such officer's earlier resignation or removal. No family relationships exist between any of our present directors and officers.

Name	Position
Neil Gray	Chairman and Executive Director
Reggie James	Co-Chief Operating Officer, Senior Vice President and Executive Director
Linda Perry	Executive Director, Chair Nomination/Compensation and Audit Committees

The following is a brief account of the business experience of each of our Directors and Executive Officers:

Neil Gray, Mr. Gray has served as Chairman and Executive Director of DBMM since April 1, 2010. Between 1999 and 2007, Gray was involved as an officer and equity participant of a privately held UK based Healthcare Group. Prior to leaving the group, a stable, conservative growth model was created to establish growth organically and by acquisition through operational knowledge and accurate prediction of cash flow/interest rates within the group's debt/equity structure. The group's interests were not restricted to the UK with alliances and interests developed into the European Union. From 1994 to 1999, a "Hands On" approach to operational involvement and investment with personal financial incentives was garnered while working in different cultural and geographical locations. These locations were Africa (South-West and West), South America (Equatorial), Spain (Mainland and The Canary Islands) and the Black Sea. The projects developed and entered into were engineering, textiles and import/export with the UK and EU. The initial development of Gray's understanding of business strategy was as part of a "think tank" team of individuals in a UK based insurance company between 1989 and 1994. The team's role was to understand, develop and test their ideas against actuarial professionals. Gray sought out risk management knowledge and understanding of the global business of his employer during this time. Gray's formative years were spent as an employee of a UK based electrical engineering firm based in Northern England from 1985 to 1989 and in the engineering department of a British Coal deep mine colliery between 1979 and 1985.

Reggie James, As of April 1, 2011, Mr. Reggie James has served as Senior Vice President of Marketing and Communications and Executive Director. Mr. James also is the Managing Director of Digital Clarity. In 2013, he was appointed Co-Chief Operating Officer with Steve Baughman. Mr. James has been involved in the commercial element of the internet since its inception and has been instrumental in driving forward business models that are common place today.

Mr. James is founder of Digital Clarity, a leading Digital Advertising Agency and a wholly owned business of DBMM. The company helps major brands and medium sized companies take advantage of the digital economy focusing on areas such as Search Engine Marketing (Google, Yahoo! & Bing), Social Media (Twitter, Facebook & LinkedIn) and Internet Strategy Planning including Design, Analytics and Mobile Marketing. Mr. James launched the European division of a VoIP technology company that became the first dot com to list of the Singapore Stock Exchange that was acquired by Spice Communications. In turn, Spice has been acquired by Idea Cellular, the 3rd largest mobile services operator in India. Mr. James is also the co-founder of an internet analytics technology software house as well as shareholder in an AIM listed marketing services company. AIM is the London Stock Exchange's international market for smaller growing companies. Previously, Mr. James was involved with publishing groups VNU & Ziff-Davis where he launched titles such as Management Consultancy and IT Week. Prior to launching Digital Clarity, Mr. James was part of the global sales team at leading search company AltaVista where he managed global brands such as Compaq and Hewlett Packard (HP). AltaVista is now part of Yahoo! Inc.

Linda Perry, Ms. Perry has served as Executive Director and Chair Nomination/Compensation and Audit Committees since April 1, 2010. She had served as our President, Chief Executive Officer and a Director until March 31, 2010 (excepting the period from April 19, 2005 to April 24, 2006). She has had an extensive career in global and entrepreneurial businesses. Ms. Perry consults to several companies globally and is industry agnostic. While living in Europe, she was the senior advisor to the Board of Directors of The Balli Group, where her role was to integrate the acquisition of Klockner & Co. The acquisition resulted in the creation of the world's largest steel, multi-metal, distribution and trading company. Prior to that, she was appointed a director and a member of the Executive Committee of Churchill Insurance Group, Plc., a division of the Credit Suisse Group. Ms. Perry was President of GWR Enterprises, Inc., from 1997-1999, focused on new business opportunities through private equity and special situation investments. She was a senior executive at ExxonMobil Corporation from 1983-1996, holding general management positions with global responsibility in finance, marketing and organization (described as corporate governance, management succession and executive compensation.) The latter role was under the aegis of the Board of Directors, entitled Compensation, Organization and Executive Development Committee/COED, of which she was a member. Ms. Perry holds an MBA from Harvard University. She has been a visiting lecturer/professor at IMD, Lausanne, Switzerland, INSEAD, Fontainebleau, France and the Stern School of Business at New York University throughout her career.

We believe that all our directors are qualified to serve on our board of directors based on their experience and the diversity of background.

Board Committees

We currently have standing committees on our Board of Directors. The audit committee and nomination/compensation committee are listed below.

Audit Committee

We have established an Audit Committee of the Board of Directors. The Audit Committee duties include a recommendation to our Board of Directors the engagement of independent auditors to audit our financial statements and to review our accounting and auditing principles. The audit committee will review the scope, timing and fees for the annual audit and the results of audit examinations performed by the internal auditors and independent public accountants, including their recommendations to improve the system of accounting and internal controls.

Nomination/Compensation Committee

We have established a Nomination/Compensation Committee of the Board of Directors. The Nomination/Compensation Committee reviews and approves our total remuneration, including compensation of executive officers. The Nomination/Compensation Committee will also administer our stock option plans and recommend and approve grants of stock options under such plans.

Compensation of Directors

All directors are officers and their compensation is included on the summary compensation table (Item 11).

Compliance with Section 16(A) of the Exchange Act

Our common stock was not registered pursuant to Section 12 of the Exchange Act during the fiscal year ended August 31, 2014. Accordingly, our officers, directors and principal shareholders were not subject to the beneficial ownership reporting requirements of Section 16(a) of the Exchange Act during such year.

Code of Ethics

On December 1, 2004 we adopted a Code of Ethics that applies to our Principal Executive Officer, Principal Financial Officer, Principal Accounting Officer and Controller and to persons performing similar functions. A copy of our Code of Ethics was previously filed as an Exhibit to our annual report on Form 10-KSB for the year ended August 31, 2004. A copy of our Code of Ethics will be provided to any person requesting same without charge. To request a copy of our Code of Ethics please make written request to DBMM.

ITEM 11. EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE

None of our executive officers or employees received compensation in excess of $100,000 during the year ended August 31, 2014, or 2013, except as follows:

Name Principal Position	Fiscal Year Ended August 31.	$ Salary	$ Bonus	$ Other Compensation	$ Options/SAR's	$ Restricted stock awards	$ LTIP Payouts	$ All other Compensation
Neil Gray	2014	(1)	-	-	-	-	-	-
Chairman/Executive Director	2013	(1)	-	(5)	-	-	-	-
Fitch Montague McLennan Limited – Reggie James	2014	199,367 (3)	-	(6)	-	-	-	-
Executive Director / Senior Vice President	2013	175,930 (2)	-	(5)	-	-	-	-
Linda Perry	2014	150,000 (4)	-	(6)	-	-	-	-
Executive Director	2013	150,000 (4)	-	(5)	-	-	-	-

(1) For the fiscal years ended August 31, 2014 and 2013, Mr. Gray earned $0 each year.

(2) For the fiscal year ending August 31, 2013, Mr. James earned $175,930 of which $121,930 has been paid to Reggie James/Fitch Montague McLennan Limited. Mr. James is the sole shareholder, officer and director of Fitch Montague McLennan Limited. $54,000 remains unpaid.

(3) For the fiscal year ending August 31, 2014, Mr. James earned $199,367 of which $ 102,152 has been paid during fiscal 2014 and $43,214 in September 2014 to Reggie James/Fitch Montague McLennan Limited. Mr. James is the sole shareholder, officer and director of Fitch Montague McLennan Limited. $54,000 remains unpaid.

(4) For the fiscal years ended August 31, 2014 and 2013, Ms. Perry earned $150,000 each year of which $230,000 has been paid. $70,000 remains unpaid

(5) Preferred Shares Series 1 were designated in fiscal year 2014 by Corporate Resolution, as follows:
Value Per Preferred Share: $0.016083
Conversion Ratio – Preferred Shares to Common Shares: 1:53.04
386,502 Restricted Preferred Shares have been allocated to the above officers

(6) Preferred Shares Series 1 were designated in fiscal year 2014 by Corporate Resolution, as follows:
Value Per Preferred Share: $0.016083
Conversion Ratio – Preferred Shares to Common Shares: 1:53.04
300,000 Restricted Preferred Shares have been allocated to the above officers

OPTION/SAR GRANTS IN LAST FISCAL YEAR

No stock appreciation rights were granted to the named executives during the fiscal years ended August 31, 2014 and 2013.

Long Term Incentive Plan Awards

No long-term incentive plan awards to the named executive officers during the fiscal year ended August 31, 2014 and 2013.

Employment Contracts, Termination of Employment, and Change-in-Control Arrangements

In April, 2010 a term sheet was agreed with Neil Gray as Chairman and Executive Director of the Company. The term was an initial three years, renewable annually beginning on September 1st, the beginning of the fiscal year.

In April, 2011 a term sheet was agreed with a Company Officer, Reggie James, where remuneration was split between his duties as Senior Vice President and Executive Director of DBMM and Digital Clarity. Mr. James was appointed Co-Chief Operating Officer during fiscal year 2013.

In September 2010 a term sheet was agreed with a company officer, Linda Perry, for annual remuneration of $150,000 for her role as a consultant and as Executive Director for US interface to provide oversight for external regulatory reporting requirements. In addition, Ms. Perry is lead executive for capital funding requirements and business development.

In June, 2012 a term sheet was agreed with a Company Officer, Steve Baughman, as Head, US Operations with a sign on bonus of 50,000 preferred shares, compensation is performance-based, reflecting multiple projects and business development activities. Mr. Baughman was appointed Co-Chief Operating Officer during fiscal year 2013.

Report on Repricing of Options/SARs

During the fiscal year ended August 31, 2014 we did not adjust or amend the exercise price of any stock options or SARs.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table sets forth information with respect to the beneficial ownership of our common stock known by us as of August 31, 2014 by, (i) each of our directors, (ii) each of our executive officers, and (iii) all of our directors and executive officers as a group. The percentages in the table have been calculated on the basis of treating as outstanding for a particular person, all shares of our common stock outstanding on such date and all shares of our common stock issuable to such holder in the event of exercise of outstanding options, warrants, rights or conversion privileges owned by such person at said date which are exercisable within 60 days of such date. Except as otherwise indicated, the persons listed below have sole voting and investment power with respect to all shares of our common stock owned by them, except to the extent such power may be shared with a spouse.
Name of Beneficial Owner and/or Beneficially Own Shares of Restricted Common Stock percentage owned:

(1) Neil Gray*	60,000	0.002%
(2) Reggie James*	26,326,599	0.729%
(3) Steve Baughman*	10,467,040	0.290%
(4) Linda Perry*	16,588,933	0.459%
All Directors and Executive Officers as a Group (4 persons)	53,442,572	1.479%

The officers as a group hold 870,185 Restricted Preferred Shares, under the designation terms of Preferred Stock-Series 1.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Audit Fees

The aggregate fees billed to us by our principal accountants for services rendered during the fiscal years ended August 31, 2014 and 2013 are set forth in the table below:

	2014	2013
Audit Fees(1)	$45,000	$45,000

(1) Audit fees represent fees for professional services provided in connection with the audit of our annual financial statements and review of our quarterly financial statements and audit services provided in connection with other statutory or regulatory filings.

Audit Related Fees. We incurred fees to our independent auditors of $-0- for audit related fees during fiscal years ended August 31, 2014 and 2013.

Tax and Other Fees. We incurred fees to our independent auditors of $-0- for tax and other fees during the fiscal years ended August 31, 2014 and 2013.

Audit Committee's Pre-Approval Practice.

During fiscal year ended August 31, 2014, the Audit Committee pre-approved all audit and permissible non-audit services provided by our independent auditors.

PART IV

Item 15. Exhibits

The following Exhibits are being filed with this Annual Report on Form 10-K:

Exhibit Number	Description
3.1(1)	Articles of Incorporation of the Registrant, as amended.
3.2(8)	By-laws of the Registrant, as amended.
10.3(4)	Share Exchange Agreement, dated March 20, 2007, by and among the Company, Atlantic Network Holdings Limited, New Media Television (Europe) Limited and the Outside Stockholders Listed on Exhibit A Thereto.
10.1(5)	Share Exchange Agreement, dated March 30, 2010, between Digital Brand Media & Marketing Group, Inc., and Cloud Channel Limited.
10.2(5)	Recession Resolution of Share Exchange Agreement, dated March 20, 2007, by and among Digital Brand Media & Marketing Group, Inc., Atlantic Network Holdings Limited, the Outside Stockholders Listed on Exhibit A thereto and New Media Television (Europe) Limited.
10.3(5)	Share purchase Agreement between Cloud Channel Limited and Bitemark MC Limited.
10.4(5)	Share purchase Agreement between Cloud Channel Limited and Stylar Limited.
10.4(6)	Amendment to Share Exchange Agreement, dated March 31, 2010, between Digital Brand Media & Marketing Group, Inc., and Cloud Channel Limited.
10.5(6)	Amendment to Share Purchase Agreement between Cloud Channel Limited and Bitemark MC Limited.
10.6(6)	Amendment to Share Purchase Agreement between Cloud Channel Limited and Stylar Limited.
10.7(8)	Rescission Resolution of Share Exchange Agreement, dated March 31, 2010, between Digital Brand Media & Marketing Group, Inc. and Bitemark MC Limited
10.8(9)	Agreement to purchase LLC interests
10.9(10)	Amendment to agreement to purchase LLC interests
10.10(11)	Mutual Rescission and Release
14.1(3)	Code of Ethics
31.1*	Section 302 Certification of Executive Director
32.1*	Section 906 Certification of Executive Director
101.INS**	XBRL Instance Document
101.SCH**	XBRL Taxonomy Extension Schema Document
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document

(1) Previously filed as an exhibit to the Company's Quarterly Report on Form 10-QSB for the quarter ended May 31, 2005.
(2) Previously filed as an exhibit to the Company's Current Report on Form 8-K Filed with the Commission on October 6, 2004.
(3) Previously filed as an exhibit to the Company's Annual Report on Form 10-KSB for the year ended August 31, 2004.
(4) Previously filed as an exhibit to the Company's Current Report on Form 8-K filed with the Commission on March 21, 2007.
(5) Previously filed as an exhibit to the Company's Current Report on Form 8-KA filed with the Commission on April 9, 2010.
(6) Previously filed as an exhibit to the Company's Current Report on Form 8-KA filed with the Commission on July 15,, 2010.
(7) Previously filed as an exhibit to the Company's Current Report on Form 8-KA filed with the Commission on September 8, 2010.
(8) Previously filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended August 31, 2011.
(9) Previously filed as an exhibit to the Company's Current Report on Form 8-K Filed with the Commission on June 12, 2012.
(10) Previously filed as an exhibit to the Company's Annual Report on Form 10-K for the year ended August 31, 2012.
(11) Previously filed as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 2013.

* Filed herewith
** Furnished herewith. XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DIGITAL BRAND MEDIA & MARKETING GROUP, INC.

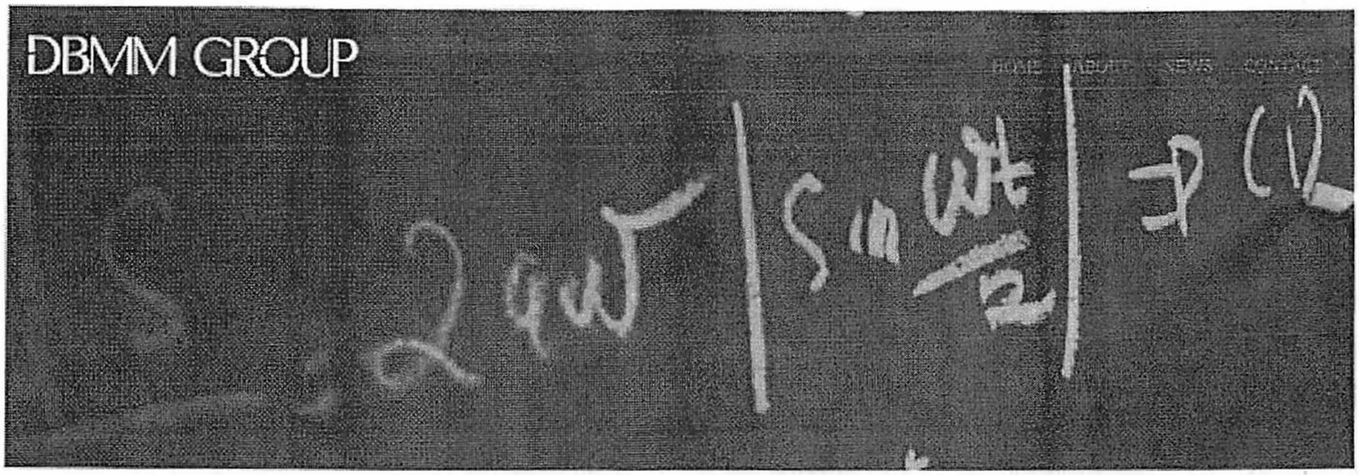
Date: February 12, 2015

By: */s/ Linda Perry*
Executive Director

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Date: February 12, 2015

/s/ Linda Perry
Executive Director



Business Intelligence in a Digital World

WE ARE DBMM GROUP

DBMM Group crafts, designs and executes digital marketing strategies across multiple ad platforms and social media networks for a broad array of clients to help each of them establish a uniform brand identity across the digital universe to increase Return on Investment. (ROI). DBMM is a US-public company, Symbol OTCPNK:DBMM

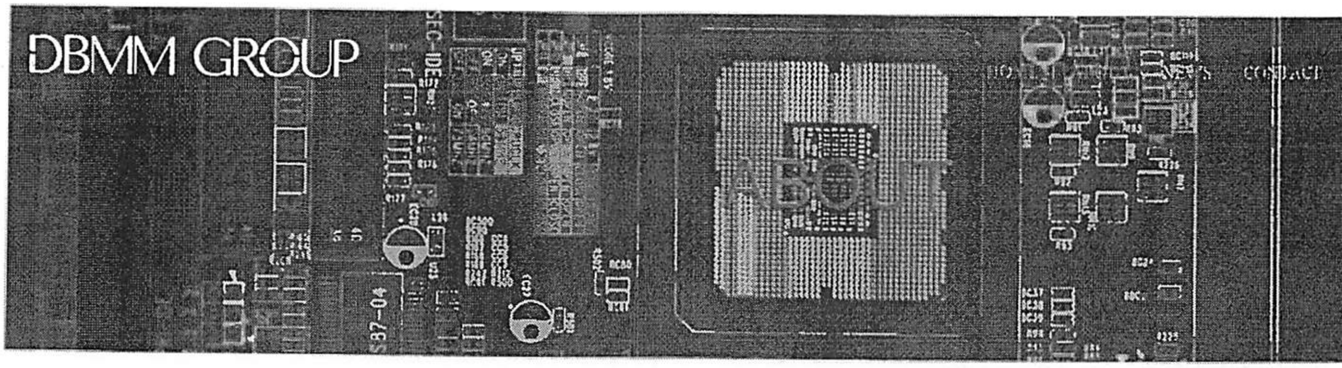
The Company delivers marketing value, brand consultancy and analytics in the digital economy through its brand, DIGITAL CLARITY, www digital-clarity.com

Digital Brand Media & Marketing Group, Inc.
747 Third Ave New York, NY 10017
Investor Relations Contact: info@dbmmgroup.com
TEL: +1 646 722 2706

SAFE HARBOR PROVISIONS
The foregoing contains certain predictive statements that relate to future events or future business and financial performance. Such statements can only be predictions, and the actual events or results may differ from those discussed due to, among other things, those risks described in DBMM's reports filed with the SEC. Opinions expressed herein are subject to change without notice. This document is published solely for information purposes, and is not to be construed as an offer to sell or the solicitation of an offer to buy any securities in any state. Past performance does not guarantee future performance. Additional information is available upon request.

DBMM GROUP INC (DBMM) DBMM GROUP, INC. 747 THIRD AVE | NEW YORK, NY 10017

EXHIBIT
Div. Ex. 21



ABOUT

You are here: Home / ABOUT

ABOUT DBMM GROUP

DBMM Group's brand, Digital Clarity, is a strategic partner with its clients to achieve an increase in ROI through their digital footprint.

Digital marketing remains the #1 driver for companies to achieve sustainable growth into the future. Using intelligent strategies honed from over 10 years in the business, Digital Clarity provides creative solutions in all aspects of the digital discipline while understanding how the dots join up through an agnostic approach to analytics.

DBMM Group – A blend of data, strategy and creative execution.

OUR STRENGTHS

DBMM Group can leverage its team's vast experience in digital media and provide leading strategy, deployment and measurement to its core markets in many industry sectors, from creative to traditional corporate. Entertainment, Fashion and Sports industries, as well as Automotive and Ecommerce are target markets.

- Revenue generating company
- Cash flow positive
- Experienced team
- Key personnel
- Strong client base
- Reach to celebrity and a-list performers
- Territories – Europe & US
- Future territories – UAE & Asia
- Established relationships with media groups like Google
- Poised for the growth in digital marketing & advertising

OUR KEY ASSETS – Management and Board

REGGIE JAMES
Executive Director | Co-Chief Operating Officer & SVP of Marketing & Communications
STEVE BAUGHMAN
Co-Chief Operating Officer & Head, US Operations
NEIL GRAY
Executive Director & Chairman
LINDA PERRY
Executive Director, Chair, Nomination/Compensation & Audit Committees

OUR PROFESSIONAL ADVISORS

MEDIA / ENTERTAINMENT COUNSEL
Glaser Weil Fink Jacobs Howard Avchen & Shapiro LLP
Los Angeles, CA 90067

SEC COUNSEL
Marshal Shichtman,Esq.
Carle Place, New York 11514

TRANSFER AGENT
Madison Stock Transfer
Brooklyn, NY, 11229

CERTIFIED PUBLIC ACCOUNTANTS:
Boisseau, Felicione & Associates
Delray Beach, Florida 33446

AUDITOR
Assurance Dimensions, Inc.
Coconut Creek, Florida 33073

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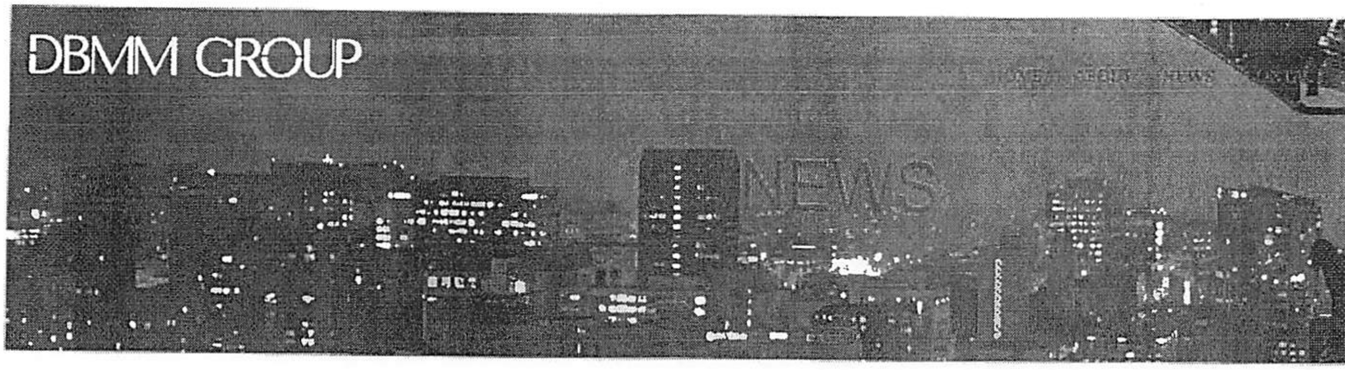

DBMM SHAREHOLDERS UPDATE – AUGUST 03, 2017

AUGUST 3, 2017 COMPANY UPDATE

Following the last Shareholders Update of June 18, 2017, DBMM has continued to act in the best interests of its shareholders. Unfortunately, there has also been a continued flow of misinformation and amateur speculation from non-shareholders, regarding the ongoing SEC Administrative Proceeding process. As many of the supportive shareholders have stated publically and quite correctly,

READ MORE

DBMM SHAREHOLDERS UPDATE: BACK TO BASICS –BUSINESS TO PUBLIC COMPANY – JUNE 18, 2017

JUNE 18, 2017 COMPANY UPDATE

DBMM Management believes it to be important to continuously put some of the negative and spurious comments by individuals who have little or no understanding of either regulatory or legal process, in perspective. There has never been an issue about the viability of DBMM's business model, or the opportunities for digital marketing in the 21st

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DBMM SHAREHOLDERS UPDATE – JUNE 4, 2017

JUNE 4, 2017 COMPANY UPDATE

DBMM SHAREHOLDERS UPDATE – JUNE 4, 2017 Digital Brand Media & Marketing Group, Inc. (DBMM) has repeatedly updated its shareholders with factual information regarding the unauthorized and inaccurate Press Release on May 4, 2017 and the temporary trading suspension following thereafter. From the onset, DBMM Management has reassured its shareholders that it was business as

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DBMM SHAREHOLDERS UPDATE: MAY 31, 2017

MAY 31, 2017 COMPANY UPDATE

May 31, 2017 Following the Digital Brand Media and Marketing Group, Inc. (DBMM – the Company) update of May 26th, the Company wants to emphasize the need to deal in facts, not opinion, and particularly the misinformation regarding DBMM's temporary suspension from trading. The link from the SEC's Office of Education and Advocacy is useful

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RECENT POSTS

- DBMM SHAREHOLDERS UPDATE – AUGUST 03, 2017
- DBMM SHAREHOLDERS UPDATE: BACK TO BASICS –BUSINESS TO PUBLIC COMPANY – JUNE 18, 2017
- DBMM SHAREHOLDERS UPDATE – JUNE 4, 2017
- DBMM SHAREHOLDERS UPDATE: MAY 31, 2017
- DBMM UPDATE: MAY 26, 2017

ARCHIVES

- August 2017
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- June 2014
- May 2014

DBMM UPDATE: MAY 26, 2017

MAY 26, 2017 COMPANY UPDATE

Over the last few weeks, Digital Brand Media & Marketing Group, Inc. (DBMM) has suffered at the hands of serious mis-information and deliberate attempts to create chaos. The most recent was the SEC temporary suspension on May 16th, which followed an inaccurate and unauthorized Press Release on May 3rd by an adversary in a continuing

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DBMM UPDATE MAY 17, 2017

MAY 17, 2017 UNCATEGORIZED

Yesterday's News Update reiterated concerns about misinformation in public sector as highlighted in our statement of May 16, 2017. In light of today's News: DBMM Management is addressing the trading suspension announced this morning by the Securities & Exchange Commission. This issue is being dealt with as we have been very transparent about the subject

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TO DBMM SHAREHOLDERS

MAY 16, 2017 UNCATEGORIZED

TO DBMM SHAREHOLDERS May 16, 2017 DBMM Management understands that shareholders are anxious to receive details about the meeting as announced. On May 11, 2017, the parties to the 2014 litigation in question met as scheduled. However, DBMM has followed Litigation in Public Companies Best Practice in that the Company remained silent as it continued

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AN UPDATE TO DBMM SHAREHOLDERS

MAY 8, 2017 IMPORTANT INFORMATION

AN UPDATE TO DBMM SHAREHOLDERS On May 4, 2017, Digital Brand Media & Marketing Group, Inc. (DBMM) issued a statement to clarify an unauthorized Press Release (PR) issued by the Plaintiff in an ongoing litigation. As stated, DBMM fully intended to file a Motion today to introduce new facts. However, as Marshal Shichtman, DBMM's Counsel

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TO ALL DBMM SHAREHOLDERS

MAY 4, 2017 IMPORTANT INFORMATION

TO ALL DBMM SHAREHOLDERS Yesterday there was an unprecedented Press Release issued against Digital Brand Media & Marketing Group, Inc. (DBMM) as well as its subsidiary businesses. This release was not authorized by DBMM and this brief explanation is designed to allay the unwarranted concerns of shareholders and address what can only be described as

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DBMM CONTINUES AFFIRMATIVE DIRECTION IN 2016

APRIL 4, 2016 UNCATEGORIZED

NEW YORK, NEW YORK, LOS ANGELES, CA, and LONDON, UK- (New Media Wire- April 1, 2016 MARKETWIRE) Digital Brand Media & Marketing Group, Inc. (DBMM:OTC-PK) finished the 2016 first quarter in a very positive position. The business is performing as projected and is very exciting to watch roll out. The client base continues to grow

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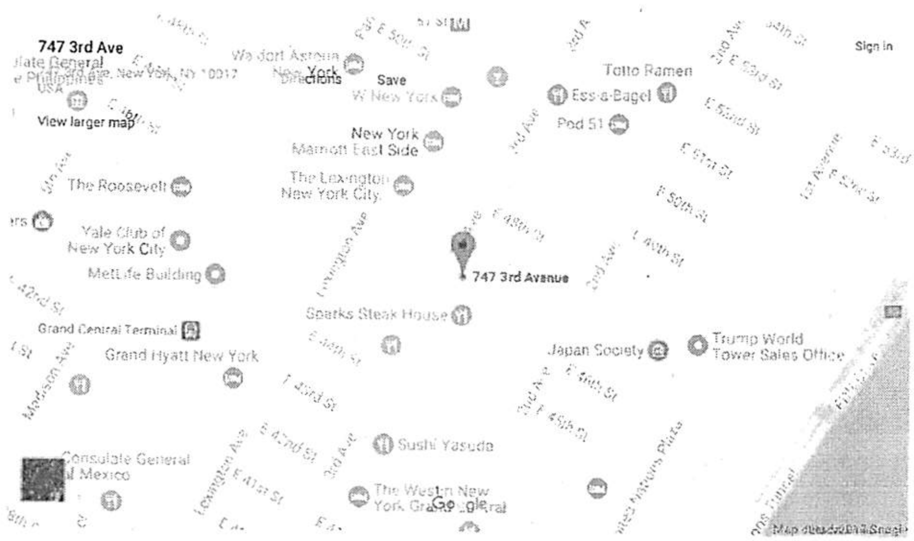
Email: info@dbmmgroup.com



DBMM GROUP INC. (DBMM) DBMM GROUP, INC. 747 THIRD AVE | NEW YORK, NY 10017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: May 31, 2015

TRANSITION REPORT UNDER SECTION 13 OR 15(D) OF THE EXCHANGE ACT

For the transition period from _______ to _______

Commission file number: 333-85072

DBMM GROUP

DIGITAL BRAND MEDIA & MARKETING GROUP, INC.

WWW.DBMMGROUP.COM

(Exact name of small business issuer as specified in its charter)

747 Third Avenue, New York, NY 10017

(Address of principal executive offices)

Florida

State of incorporation

[redacted]

IRS Employer Identification No.

(646) 722-2706

(Issuer's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. X Yes o No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such Files). X Yes o No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	o	**Accelerated Filer**	o
Non-Accelerated Filer	o	**Smaller Reporting Company**	X

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)

Yes o No X

Indicate the number of shares outstanding of each of the Issuer's classes of common stock, as of the latest practicable date:

Date	Shares Outstanding
September 23, 2015	4,414,975

EXHIBIT

Div. Ex. 22

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DIGITAL BRAND MEDIA & MARKETING GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	May 31, 2015 (Unaudited)	August 31, 2014
ASSETS		
CURRENT ASSETS		
Cash	$ 34,185	$ 52,747
Accounts receivable, net	80,175	74,511
Prepaid expenses and other current assets	1,363	1,481
Total current assets	115,723	128,739
Property and equipment - net	5,934	6,223
TOTAL ASSETS	$ 121,657	$ 134,962
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 416,275	$ 377,765
Accrued interest	121,533	65,152
Accrued compensation	582,713	470,640
Loans payable	290,800	218,300
Derivative liability	356,009	305,207
Convertible debentures, net	828,693	552,063
TOTAL CURRENT LIABILITIES	$ 2,596,023	$ 1,989,127
STOCKHOLDERS' DEFICIT		
Preferred stock, Series 1, par value .001; authorized 2,000,000 shares: 1,970,185 and 870,185 shares issued and outstanding	1,970	870
Preferred stock, Series 2, par value .001; authorized 2,000,000 shares; 0 and 0 shares issued and outstanding	-	-
Common stock, par value .001; authorized 10,000,000 shares; 4,414,975 and 3,613,791 shares issued and outstanding	4,415	3,614
Additional paid in capital	9,760,175	9,724,799
Other comprehensive loss	3,579	(12,796)
Accumulated deficit	(12,244,505)	(11,570,652)
TOTAL STOCKHOLDERS' DEFICIT	(2,474,366)	(1,854,165)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 121,657	$ 134,962

See Notes to Unaudited Consolidated Financial Statements

DIGITAL BRAND MEDIA & MARKETING GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

	For the Three Months Ended May 31,		For the Nine Months Ended May 31,	
	Unaudited			
	2015	2014	2015	2014
SALES	$ 111,192	79,902	$ 368,384	292,341
COST OF SALES	78,237	47,561	242,862	152,103
GROSS PROFIT	32,955	32,341	125,522	140,238
COSTS AND EXPENSES				
General and administrative	41,605	64,792	178,580	165,507
Compensation expense	51,000	89,999	171,000	379,627
Legal and professional fees	64,901	76,886	196,369	200,572
TOTAL OPERATING EXPENSES	157,506	231,677	545,949	745,706
OPERATING LOSS	(124,551)	(199,336)	(420,427)	(605,468)
OTHER INCOME (EXPENSE)				
Interest expense	(65,647)	(147,129)	(261,623)	(542,698)
Gain/ Loss on derivative liability	(6,593)	591,106	8,198	122,400
TOTAL OTHER INCOME (EXPENSE)	(72,240)	443,977	(253,425)	(420,298)
NET INCOME (LOSS)	(196,791)	244,641	(673,852)	(1,025,766)
OTHER COMPREHENSIVE LOSS				
Foreign exchange translation	58	(1,271)	16,375	(2,175)
COMPREHENSIVE LOSS	$ (196,733)	$ 243,370	$ (657,477)	$ (1,027,941)
NET LOSS PER SHARE				
Basic and diluted	(0.05)	0.19	(0.16)	(1.64)
WEIGHTED AVERAGE NUMBER OF SHARES				
Basic and diluted	3,731,085	1,294,236	4,124,203	625,407

See Notes to Unaudited Consolidated Financial Statements

DIGITAL BRAND MEDIA & MARKETING GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Nine Months Ended May 31, (Unaudited) 2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (673,852)	$ (1,025,766)
Adjustments to reconcile net loss to net cash used in operating activities:		
Fair value of preferred shares issued for services	5,834	-
Fair value of preferred shares issued for bonus	-	144,985
Fair value of shares of common stock-interest	-	72,480
Interested related to modification of conversion price of debt		
Depreciation	2,447	1,398
Amortization of debt discount	195,688	417,592
Change in fair value of derivative liability	(8,198)	(122,400)
Changes in operating assets and liabilities:		
Accounts receivable	(5,666)	(5,171)
Prepaid expenses and other current assets	118	4,860
Accounts payable and accrued expenses	71,963	73,765
Accrued interest	60,766	-
Accrued compensation	112,073	141,395
NET CASH USED IN OPERATING ACTIVITIES	(238,827)	(296,862)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(2,158)	(493)
NET CASH USED IN INVESTING ACTIVITIES	(2,158)	(493)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank overdraft	-	(23,150)
Proceeds from convertible debentures	160,000	149,000
Principal repayments of loan payable	-	(40,000)
Proceeds from loan payable	79,500	252,600
NET CASH PROVIDED BY FINANCING ACTIVITIES	239,500	338,450
NET INCREASE (DECREASE) IN CASH	(1,485)	41,095
EFFECT OF VARIATION OF EXCHANGE RATE OF CASH HELD IN FOREIGN CURRENCY	(17,077)	(2,175)
CASH - BEGINNING OF PERIOD	52,747	18,015
CASH - END OF PERIOD	$ 34,185	$ 56,935
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ -	$ -
Non-cash investing and financing activities:		
Conversion of convertible notes payable into common stock	$ -	$ 399,228
Assignment/Modification of notes payable to convertible notes payable	$ -	$ 450,300
Debt discount associated with derivative liability	$ -	$ 247,000
Debt discount associated with convertible debt	$ -	$ 274,650
Embedded conversion features	$ -	$ -
Conversion of loan payable into common stock	$ 7,000	$ -
Beneficial conversion feature	$ -	$ -
Conversion of Series 1 preferred stock into common stock	$ 110	$ -
Conversion of accrued interest and fees to common stock	$ 2,200	$ -
Conversion of preferred stock to common stock	$ -	$ 26,956

See Notes to Unaudited Consolidated Financial Statements

DIGITAL BRAND MEDIA & MARKETING GROUP, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION, BASIS OF PRESENTATION AND GOING CONCERN

Nature of Business and History of the Company

Digital Brand Media & Marketing Group, Inc. (f/k/a RTG Ventures, Inc.) is an OTC:PK listed company. The Company was organized under the laws of the State of Florida on September 29, 1998.

The Company also strategically focuses on developing the business of its wholly owned and revenue generating online marketing services company, Digital Clarity. With deep DNA in its operating market, blending the services of an experienced professional workforce leveraging a technology offering would position the company in a strong, forward looking structure. Digital Clarity operates in the growing area of digital marketing that helps companies make the most the digital economy focusing on areas such as Search Engine Marketing (Google, Yahoo! & Bing), Social Media (Twitter, Facebook & LinkedIn) and Internet Strategy Planning including Design, Analytics and Mobile Marketing.

From 2013-2015 the Company has been honing its business model to be the differentiating service provider in digital marketing space to its clients and prospective business as DBMM grows into one of the leaders in the industry going forward.

Today, DBMM Group crafts, designs and executes digital marketing strategies across multiple ad platforms and social media networks for a broad array of clients to help each of them establish a uniform brand identity across the digital universe. The product offering is a unique value proposition of intelligent analytics provided by an experienced digital marketing and technology team. Therefore DBMM Group is a blend of data, strategy and creative execution.

The Company approved a 1 to 1,000 Reverse Split of its shares of common stock, effective July 17, 2015. All reference to Common Stock shares and per share amounts have been retroactively restated to effect the reverse stock split as if the transaction had taken place as of the beginning of the earliest period presented.

The Authorized Shares have been reduced by an equal proportion to 10,000,000.

Going Concern

The accompanying unaudited consolidated financial statements have been prepared on a going concern basis. The Company has an accumulated deficit of approximately $12.2 million and a working capital deficiency at May 31, 2015 of approximately $2.5 million. The Company has incurred a net loss of approximately $670,000, and used cash in operation of $239,000 for the nine-months ended May 31, 2015. The Company's ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due, and to generate profitable operations in the future. Management plans to continue to provide for its capital requirements by seeking long term financing which may be in the form of additional equity securities and debt. The outcome of these matters cannot be predicted at this time and there are no assurances that if achieved, the Company will have sufficient funds to execute its business plan or generate positive operating results.

These matters, among others, raise substantial doubt about the ability of the Company to continue as a going concern. These unaudited consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

Basis of Presentation

The interim consolidated financial statements of Digital Brand Media & Marketing Group, Inc. ("we," "us," "our," "DBMM" or the "Company") are unaudited and contain all adjustments (consisting primarily of normal recurring adjustments) necessary for a fair statement of the results for the interim periods presented. Results for interim periods are not necessarily indicative of results to be expected for a full year or for previously reported periods due in part, but not limited to, availability of capital resources, the timing of acquisitions, and the sensitivity of our business to economic conditions.

The accompanying unaudited consolidated financial statements have been prepared, in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). The accompanying unaudited consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany transactions have been eliminated in consolidation. You should read these interim financial statements in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K/A for the year ended August 31, 2014.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary RTG Ventures (Europe), Ltd. All significant inter-company transactions are eliminated.

Cash and Cash Equivalents

Cash and cash equivalents consist primarily of cash in banks. The Company considers cash equivalents to include all highly liquid investments with original maturities of three months or less to be cash equivalents.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded at the invoiced amount and do not bear interest. Accounts receivable are presented net of allowance for doubtful accounts.

The Company has a policy of reserving for uncollectible accounts based on its best estimate of the amount of probable credit losses in its existing accounts receivable. The Company periodically reviews its accounts receivable to determine whether an allowance is necessary based on an analysis of past due accounts and other factors that may indicate that the realization of an account may be in doubt. Account balances deemed to be uncollectible are charged to the bad debt expense after all means of collection have been exhausted and the potential for recovery is considered remote. The Company did not recognize an allowance for doubtful accounts as of November 30 and August 31, 2014, respectively.

Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets (primarily three to five years).

Revenue Recognition

The Company follows the guidance of ASC Topic 605, formerly, SAB 104 for revenue recognition. In general, the Company records revenue when persuasive evidence of an arrangement exists, services have been rendered, the sales price to the customer is fixed or determinable, and collectability is reasonably assured.

Revenues from services are recognized when the services are performed, evidence of an arrangement exists, the fee is fixed and determinable and collectability is probable.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Company accounts for income taxes utilizing the liability method of accounting. Under the liability method, deferred taxes are determined based on differences between financial statement and tax bases of assets and liabilities at enacted tax rates in effect in years in which differences are expected to reverse. Valuation allowances are established, when necessary, to reduce deferred tax assets to amounts that are expected to be realized.

Earnings (loss) per common share

The Company utilizes the guidance per FASB Codification "ASC 260 "Earnings Per Share". Basic earnings per share is calculated on the weighted effect of all common shares issued and outstanding, and is calculated by dividing net income available to common stockholders by the weighted average shares outstanding during the period. Diluted earnings per share, which is calculated by dividing net income available to common stockholders by the weighted average number of common shares used in the basic earnings per share calculation, plus the number of common shares that would be issued assuming conversion of all potentially dilutive securities outstanding, is not presented separately as it is anti-dilutive. Such securities have been excluded from per share computations as of May 31, 2015 and 2014. The anti-dilutive securities amounted to 5,879,736 and 60,608 as of May 31, 2015 and August 31, 2014.

Derivative Liabilities

The Company assessed the classification of its derivative financial instruments as of May 31, 2015, which consist of convertible instruments and rights to shares of the Company's common stock, and determined that such derivatives meet the criteria for liability classification under ASC 815.

ASC 815 generally provides three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments. These three criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument subject to the requirements of ASC 815. ASC 815 also provides an exception to this rule when the host instrument is deemed to be conventional, as described.

During the nine-month period ended May 31, 2015 and 2014, the Company had notes payable outstanding in which the conversion rate was variable and undeterminable. Accordingly, the Company has recognized a derivative liability in connection with such instruments. The Company uses judgment in determining the fair value of derivative liabilities at the date of issuance at every balance sheet thereafter and in determining which valuation is most appropriate for the instrument (e.g., Binomial method), the expected volatility, the implied risk free interest rate, as well as the expected dividend rate.

Fair Value of Financial Instruments

Effective January 1, 2008, the Company adopted FASB ASC 820-Fair Value Measurements and Disclosures, or ASC 820, for assets and liabilities measured at fair value on a recurring basis. ASC 820 establishes a common definition for fair value to be applied to existing generally accepted accounting principles that require the use of fair value measurements establishes a framework for measuring fair value and expands disclosure about such fair value measurements. The adoption of ASC 820 did not have an impact on the Company's financial position or operating results, but did expand certain disclosures.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized below:

Level 1

Observable inputs such as quoted market prices in active markets for identical assets or liabilities

Level 2

Observable market-based inputs or unobservable inputs that are corroborated by market data

Level 3

Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions.

The Company did not have any Level 2 or Level 3 assets or liabilities as of May 31, 2015, with the exception of its derivative liability which are valued based on Level 3 inputs.

Cash is considered to be highly liquid and easily tradable as of May 31, 2015 and therefore classified as Level 1 within our fair value hierarchy.

In addition, FASB ASC 825-10-25 Fair Value Option, or ASC 825-10-25, was effective for January 1, 2008. ASC 825-10-25 expands opportunities to use fair value measurements in financial reporting and permits entities to choose to measure many financial instruments and certain other items at fair value. The Company did not elect the fair value options for any of its qualifying financial instruments.

Convertible Instruments

The Company evaluates and accounts for conversion options embedded in its convertible instruments in accordance with professional standards for "Accounting for Derivative Instruments and Hedging Activities".

Professional standards generally provides three criteria that, if met, require companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments.

These three criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument. Professional standards also provide an exception to this rule when the host instrument is deemed to be conventional as defined under professional standards as "The Meaning of "Conventional Convertible Debt Instrument".

The Company accounts for convertible instruments (when it has determined that the embedded conversion options should not be bifurcated from their host instruments) in accordance with professional standards when "Accounting for Convertible Securities with Beneficial Conversion Features," as those professional standards pertain to "Certain Convertible Instruments." Accordingly, the Company records, when necessary, discounts to Convertible Debentures for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt to their earliest date of redemption. The Company also records when necessary deemed dividends for the intrinsic value of conversion options embedded in preferred shares based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note.

ASC 815-40 provides that, among other things, generally, if an event is not within the entity's control could or require net cash settlement, then the contract shall be classified as an asset or a liability.

Stock Based Compensation

We account for the grant of stock options and restricted stock awards to employees in accordance with ASC 718, "Compensation-Stock Compensation." ASC 718 requires companies to recognize in the statement of operations the grant-date fair value of stock options and other equity based compensation.

Foreign Currency Translation

Assets and liabilities of subsidiaries operating in foreign countries are translated into U.S. dollars using both the exchange rate in effect at the balance sheet date or historical rate, as applicable. Results of operations are translated using the average exchange rates prevailing throughout the year. The effects of exchange rate fluctuations on translating foreign currency assets and liabilities into U.S. dollars are included in a separate component of stockholders' equity (accumulated other comprehensive loss), while gains and losses resulting from foreign currency transactions are included in operations.

Business Combinations

In accordance with Accounting Standards Codification 805, "Business Combinations" ("ASC 805") the Company records acquisitions under the purchase method of accounting, under which the acquisition purchase price is allocated to the assets acquired and liabilities assumed based upon their respective fair values. The Company utilizes management estimates and, in some instances, may require an independent third-party valuation firm to assist in determining the fair values of assets acquired, liabilities assumed and contingent consideration granted. Such estimates and valuations require us to make significant assumptions, including projections of future events and operating performance.

Recently Issued Accounting Pronouncements

A variety of accounting standards have been issued or proposed by FASB that do not require adoption until a future date. We regularly review all new pronouncements that have been issued since the filing of our Form 10-K for the nine-month period ended May 31, 2015 to determine their impact, if any, on our financial statements. The Company does not expect the adoption of any of these standards to have a material impact once adopted.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	May 31, 2015 (Unaudited)	August 31, 2014 (Audited)
Estimated life: 3 to 5 years		
Computer and office equipment	$ 17,620	$ 15,462
Less: Accumulated depreciation	(11,686)	(9,239)
	$ 5,934	$ 6,223

Depreciation expense amounted to $ 2,447 and $1,398 for the nine-month periods ended May 31, 2015 and 2014, respectively.

NOTE 4 - LOANS PAYABLE

	May 31, 2015 (Unaudited)	August 31, 2014
Loans payable	$ 290,800	$ $218,300

The loans payable are due on demand, are unsecured, and are non-interest bearing.

During the nine-month period ended May 31, 2015 and 2014, the Company modified terms with existing or new lenders for loans payable aggregating $0 and $450,300, respectively. Substantially all modifications consist in adding conversion terms to such notes.

During the nine-month period ended May 31, 2015, the Company issued 200,000 shares of its common stock, to satisfy principal obligations aggregating $7,000.

During the nine-month period ended May 31, 2015 and 2014, the Company received loan proceeds of $79,500 and $252,600, respectively.

NOTE 5 – CONVERTIBLE DEBENTURES

At May 31, 2015 and August 31, 2014 convertible debentures consisted of the following:

	May 31, 2015 (Unaudited)	August 31, 2014
Loans payable	$ 828,693	$ 688,751
Unamortized debt discount	(0)	(136,688)
Total	$ 828,693	$ 552,063

The Convertible Debentures mature through May 2015, some of which are payable on demand and bear interest at ranges between 6% and 15%. The convertible debentures are convertible at ratios varying between 50 and 55% of the closing price at the date of conversion through, at its most favorable terms for the holders, the average of the three lowest closing bids for a period of 5 days prior to conversion. As of May 31, 2015, an aggregate of $515,743 of convertible debenture have matured.

During the nine-month period ended May 31, 2015 and 2014, the Company modified terms with existing or new lenders for loans payable aggregating $0 and $450,300, respectively. Substantially all modifications consist in adding conversion terms to such convertibles debenture.

During the nine-month period ended May 31, 2015 and 2014, the Company issued 700,205 and 1,541,716 shares of its common stock, respectively, to satisfy its obligations pursuant to the original terms of the underlying debt agreements under principal repayments aggregating $27,207 and $401,229, respectively. Additionally, the Company issued 100,979 shares of its common stock to satisfy interest pursuant to certain convertible debentures during the nine-month period ended May 31, 2015. The fair value of the shares of common stock amounted to $4,236 during such period and has been recorded as interest expense.

During the nine-month period ended May 31, 2015 and 2014, the Company generated proceeds of $160,000 and $149,000, respectively, from the issuance of convertible promissory notes payable.

NOTE 6 - DERIVATIVE LIABILITIES

Changes in the derivative liabilities during the nine-month periods ended May 31, 2015 and 2014 are as follows:

Balance at August 31, 2014	$305,207
Embedded conversion features at issuance	59,000
Changes in fair value of derivative liabilities	(8,198)
Balance, May 31, 2015	$356,009

NOTE 7 – COMMON STOCK AND PREFERRED STOCK

Preferred Stock- Series 1 and 2

The designation of the Preferred Stock- Series 1 is as follows: Authorized 2,000,000 shares, par value of $0.001. One share of the Company's Preferred Stock- Series is convertible into 53.04 shares of the Company's common stock, at the holder's option and with the Company's acquiescence, and has three votes per share.

The designation of the Preferred Stock- Series 2 is as follows: Authorized 2,000,000 shares, par value of $0.001. One share of the Company's Preferred Stock- Series is convertible into one share of the Company's common stock, at the holder's option and with the Company's acquiescence, and has no voting rights.

In October 2013, 385,000 shares of Preferred Stock-Series 1 Designation were issued to three officers of the Company. These shares are valued at $144,985, based on the trading price of the common shares into which the preferred shares are convertible. This amount was recorded as compensation expense.

In October 2014, 1,100,000 shares of Preferred Stock Series 1 Designation were issued to three officers of the Company. These shares are convertible at a ratio of 1 preferred share to 53.04 common shares. These shares are valued at $5,834 based on the trading price of the common shares of $0.0001 into which the preferred shares are convertible. This amount was recorded as compensation expense.

Common Stock

During July 2014, the Company increased its number of authorized shares of common stock to 10,000,000,000. Its preferred stock remains at 4,000,000, authorized shares both with $0.001 par value.

The Company approved a 1 to 1,000 Reverse Split of its shares of common stock, effective July 17, 2015. All reference to Common Stock shares and per share amounts have been retroactively restated to effect the reverse stock split as if the transaction had taken place as of the beginning of the earliest period presented.

During the nine-month ended May 31, 2015, and 2014, the Company issued 700,205 and 1,541,716 shares, respectively, of its common stock to satisfy its obligations under conversion features of convertible debt aggregating $27,207 and $401,229, respectively. Additionally, the Company issued 100,979 shares of its common stock to satisfy interest pursuant to certain convertible promissory notes. The fair value of the shares of common stock amounted to $4,236, which has been recorded as interest expense.

NOTE 8 - FOREIGN OPERATIONS

As of March 31, 2015, all of our revenues and a majority of our assets are associated with subsidiaries located in the United Kingdom. Assets at May 31, 2015 and revenues for the nine-month period ended May 31, 2015 were as follows:

	United States	Great Britain	Total
Revenues	$ -	$ 368,384	$ 257,192
Total revenues	$ -	$ 368,384	$ 257,192
Identifiable assets at May 31, 2015	$ 691	$ 120,966	$ 121,657

As of August 31, 2014, all of our revenues and a majority of our assets are associated with subsidiaries located in the United Kingdom. Assets at August 31, 2014 and revenues for the year ended August 31, 2014 were as follows:

	United States	Great Britain	Total
Revenues	$ -	$ 417,607	$ 417,607
Total revenues	$ -	$ 417,607	$ 417,607
Identifiable assets at August 31, 2014	$ 4,564	$ 130,398	$ 134,962

NOTE 9 – SUBSEQUENT EVENTS

The Company approved a 1 to 1,000 Reverse Split of its shares of common stock, effective July 17, 2015. All reference to Common Stock shares and per share amounts have been retroactively restated to effect the reverse stock split as if the transaction had taken place as of the beginning of the earliest period presented.

The Authorized Shares have been reduced by an equal proportion to 10,000,000.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

Readers are cautioned that certain statements contained herein are forward-looking statements and should be read in conjunction with our disclosures under the heading "Forward-Looking Statements" above. These statements are based on current expectations and assumptions that are subject to risks and uncertainties. This discussion also should be read in conjunction with the notes to our consolidated financial statements contained in Item 8. "Financial Statements and Supplementary Data" of this Report.

Background

DBMM is an OTCPK listed company. Subsequent to the close of the fiscal year 2011 following substantial investment, the Company conducted a structural review of its total product and services offering. The review was carried out by the Board of Directors. The result was to bring technology development being outsourced directly into the Company to steward on a daily basis and any activities which were not revenue generating in the near term were eliminated. It was unanimously agreed that the company would adopt a lean approach that focused on the relationships and partnerships. To that end, the Company has added significant partnerships through Letters of Intent, Joint Ventures and various collaborative structures involving revenue sharing arrangements.

Operations Overview/Outlook

Operationally, 2015 has been important in continuing the direction of the Company and steering it toward a scaled, sustainable growth plan. The model developed in fiscal 2014 has been reinforced and is differentiating to clients, therefore, the model will continue into fiscal 2015.

Entertainment/Fashion/Sports/Automotive/Ecommerce Solutions

DBMM is taking its strengths including its relationships to build its business focus on a wide array of industries. The Company, under very competitive global market conditions and growing development needs, continues to identify partnership opportunities. Utilizing successful models with existing clients, the outlook remains strong for the future.

The heart of the business is the marketing consultancy. Understanding each client and developing the model to individualize the outlook has been essential. This kind of close relationship with the client resulted in Digital Clarity being considered a close professional advisor.

In fiscal year 2015, the Company will continue to focus on the positive results of the last year and use that model to expand geographic reach with existing and new partners.

Digital Marketing Services

As forecast, there is exponential growth in the adoption of Social Media as communication, marketing and engagement avenues. An acceptance of change is driving revenue. The future growth in mobile search is one of the fastest growing ancillary businesses. It was clear that the direction, talent and growth of the Company is in its human capital and outside relationships which must be proactive in order to differentiate itself from competition

The clear opportunity is at the foundation of the Company, namely the need to expedite and encourage development in the digital marketing services sector. The marketing services product is labor intensive and thus the Company must jumpstart the growth by significant capital infusion in fiscal year 2015 to grow simultaneously in multiple geographies.

As a foundation, the financial review showed that Digital Clarity continued to be revenue generating and remained cash flow positive.

Key Milestones

DBMM has established a strong foundation to make inroads into established and emerging markets. In the latter part of 2014, American Green (OTC:PK:ERBB) became a new client as a market leader as one of the fastest-growing companies in the marijuana industry.

American Green was the first publicly-traded company medical marijuana dispensary brand in the world and currently has over 50,000 shareholders. It is now embarking on the strategy to become a major participant in the expanding medical and adult use cannabis market on a national scale.

American Green continues to offer retailing, branding and cultivating strategies in conjunction with its ongoing business with various licensed medical marijuana medical and retail dispensaries. The company has consulted with dispensary operators in California, Colorado, Washington and Arizona. Being located in Arizona, a very effectively regulated medical marijuana (MMJ) market, American Green is focusing on providing goods and services that operators of licensed non-profit MMJ dispensaries in regulated environments require. This strategy will allow American Green to further penetrate the market and to leverage its existing brands, products and services. As a result, the ZaZZZ™ network is being adapted to sell non MMJ products to customers of MMJ dispensaries; lines of non-MMJ, hemp-based products are in development; online communities, products and services are being created; and consulting opportunities involving compliance, business development and financial services have been identified.

American Green Clothing: The Company is currently selling clothing and accessories under the American Green brand. The Company is working toward developing a full line of clothing and accessories under the American Green brand for traditional brick and mortar sales, as well as through ZaZZZ™ and MMJ dispensary networks. All products are available through web-based purchase at www.AmericanGreen.com.

Another example is representative of the diversity of client base, DBMM's approach using a client's analytics, and executing an individualized model to increase ROI as the prime objective.

Tutti Dynamics developed an interactive media player that enables audiences to engage with the world's masters in the arts and sciences. Tutti represents the future of next-generation media. More information about Tutti's immersive media player can be found at *www.tuttidynamics.com.*

In 2013, DBMM identified a collaboration with Video Media Holdings, Inc. (VMS) to become its reseller in Europe with other revenue streams being explored as well. The value proposition for VMS strengthens DBMM's offering to its clients. VMS Holdings, Inc. develops a mobile application for sharing videos. Its mobile application allows companies and users to send and receive video content to and from a mobile phone; subscribe for a favorite celebrity, actor, TV channel, or team and get video updates; and create your own channel and become a broadcaster, as well as serves as a tool for mobile marketing and sales. The company's mobile application is available for Android, BlackBerry, iPhone, and Symbian devices. It distributes its mobile application through distributors, and mobile device and application stores in Africa, Europe, Asia, North America, and South Africa. It serves mobile operators and media companies, government organizations and law enforcement agencies, premium content providers and retailers, sports clubs, and celebrities worldwide.

DBMM finalized an agreement with New York based digital marketing automation platform, BRANDmini LLC, to strategically broaden BRANDmini's delivery of its Saas (Software as a Service) application; primarily looking after those larger clients seeking to leverage a more bespoke digital marketing service abroad. BRANDmini is a transactional marketing automation platform for creating, serving, and measuring marketing campaigns across multiple online channels and mobile devices. Our platform is integrated with leading ad networks, publishers, mobile platforms and social sites. BRANDmini's innovative In-Page technology empowers brands to engage and transact with consumers while they are browsing. Now anyone can build branded transactional ads, gadgets, social landing pages and run campaigns anywhere your customers are.

These client relationships illustrate the execution of DBMM's strategic direction which strengthens then the Company through its revenue-sharing strategic alliances resulting in additional revenue streams.

Many clients such as Mercedes Benz, UK, Wharfside and Duvet & Pillow Warehouse have experienced increases in revenue and increases in conversion as a result of Digital Clarity's strategic direction. These case studies are excellent resources for new clients and illustrate the mantra of "ROI is our DNA".

"DBMM's Digital Clarity Selected to Conduct Survey" – Results Reported by BBC & Huffington Post Huffington Post Article Entitled: "Internet Addiction Disorder – Yes, It's a Real Thing." (*http://huff.to/1rSyzSX*)

INDUSTRY AWARD

Digital Clarity Named in Top Ten Best Social Media Marketing Firms in the UK for 3rd Year (*http:/Topseos.com uk/best-social-media-marketing-companies*)

"Topseos.co.uk, an independent research firm, revealed the listing of the top 10 best social media marketing agencies in the UK based on their strength and competitive advantage. Social media marketing companies are put through a methodical analysis to ensure the rankings contain the absolute best companies the search marketing industry has to offer. Their criteria includes timeliness, brand management, consultation, methodology and reach.

Based in this criteria, Digital Clarity was awarded a spot in the top 10. The process for researching and declaring social media marketing agencies in the UK is based on the use of a set of analysis criteria and learning more about their solutions and their communications with their customers through references. The topsesos.com independent analysis team communicated directly with the clients in order to inquire about the solutions and achievement from the client's perspective."

Key Differentiators

DBMM has established a strong foundation by continuing to streamline operations and assessing activities on a cost benefit basis while developing new client relationships and revenue streams to be a differentiating digital marketing and technology provider. This focus has allowed the Company to enhance brand value for its clients. 2015 will continue to be about growth and outreach utilizing five key differentiators:

1. Brand enhancement

2. Search

–PPC

–SEO

3. Design

4. Social media

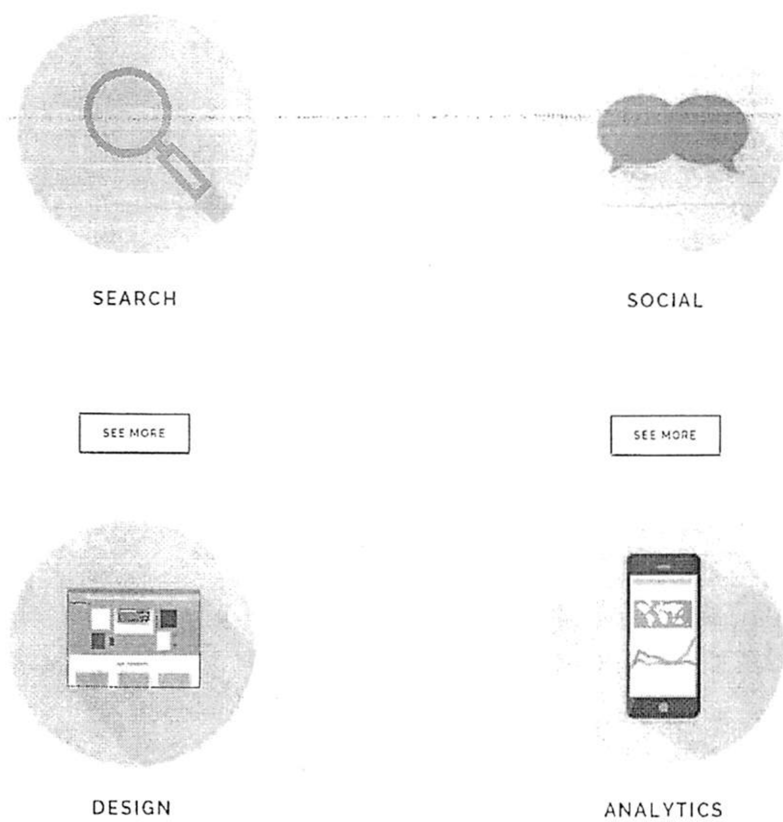
5. Analytics

1. STRENGTHS: BRAND ENHANCEMENT

Digital Clarity is an evolving Strategic Brand Consultancy that crafts, designs and executes digital marketing strategies across multiple ad platforms and social media networks for a broad array of clients to help each of them establish a uniform brand identity across the digital universe.

As the online world becomes more sophisticated and complex, Digital Clarity concentrates on core areas that help business navigate through an often confusing mosaic choice of systems and platforms. Focusing on the areas of Search, Social Media and Design, all of Digital Clarity work is underpinned by a unique understanding of Analytics. This aspect is often a missed piece of the jigsaw that makes up the digital marketing mix. The five differentiators, presented to clients as an integrated model, result in being selected over competition in the majority of presentations.

CORE AREAS:



2. STRENGTHS: SEARCH:

– PPC

Definition:

PPC stands for Pay-per-Click Advertising. It is an abbreviation for a number of search advertising platforms, of which the mostly widely used is Google AdWords. PPC is one of the most effective online marketing services available, generating instant activity and instant results for new or existing websites.

The real beauty of PPC is that you only pay for an ad when a potential customer clicks on it, meaning you can bring people to your site for mere pennies while ensuring your traffic is relevant and targeted at people who are looking for your service or product. Additionally, PPC is highly measurable and can be closely monitored, allowing your business to keep a close eye on return-on-investment (ROI).

The major platforms used for PPC are:

- Google AdWords (Global)
- Microsoft Bing (Yahoo & Bing)
- Yandex (Russia)
- Baidu (China)
- AdWords Audit

Key Areas of Service:

- Budget Management
- Keyword Research
- Conversion Rate Optimization
- Bid Optimization
- Dedicated PPC Management

As an elite consultancy, Digital Clarity has extensive experience of running PPC management and implementation ranging from small independent businesses with one or two ad campaigns to multi-national ecommerce websites which utilize hundreds of ads and thousands of keywords. Whatever the nature and size of the account, Digital Clarity understands the importance of utilizing a programmatic, well-defined approach:

- **Strategy.** By understanding your business, demographics and audience, Digital Clarity can help to make sure that campaigns hit the ground running from day one.
- **Implementation.** Digital Clarity uses experience to put in place the best structure, keywords, ad copy and bidding strategies to maximize the effectiveness of your account.
- **Optimization.** Digital Clarity rigorously interrogates and checks our client accounts to ensure optimal performance, with regular reviews of all aspects of your campaigns.
- **Reporting.** By defining and explaining the numbers of your account, Digital Clarity provides the information needed to steer things in the right direction for business.

2. STRENGTHS: SEARCH:

– SEO

Definition:

When customers look for service on Google or another search engine, they might find a client company's business – or they might find a competitor. SEO (Search Engine Optimization) is the process by which you can help ensure that your site appears first in the rankings. These rankings are determined by the search engine's algorithms: programs which trawl the internet indexing details about each site, in order to deliver relevant results when people search. If your website does not perform well according to the algorithm's criteria, your rank will be lower, and people will not be able to find your site; this is what makes partnering with the right SEO agency such a crucial part of your digital marketing activity.

Digital Clarity is at the vanguard of this sector, having implemented countless SEO plans for a broad array of clients in a number of different industries. These plans included:

- Onsite Technical Audit
- Quality Content Creation
- Meta, Tags & Technical Optimization
- Website Structure
- Use of Optimum Keywords
- Link Building & Referrals
- Social Media Integration

Search Algorithms

SEO strategy is changing all the time, and the rate of change has picked up dramatically in the last 12-18 months. Changes to the Google algorithm in particular have shifted the landscape of search optimization, including named updates such as Penguin, Panda, and Hummingbird. These changes can have huge consequences: well-performing sites can lose visibility and poor performers can gain it, literally overnight. It is therefore absolutely essentially that a website's SEO is closely curated and managed, making sure one is always ahead of the curve.

SEO Can Deliver Results for Business

By applying website optimization to your site for better search engine performance, you will gain more traffic and brand recognition as more and more people are able to find you online. This in turn allows more sales and conversions, leading to higher profits and better return on your digital investment. Contact our team today to find out how we can improve your performance.

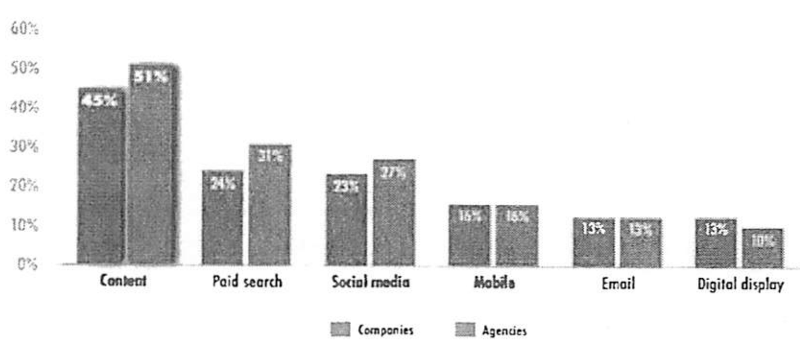
SEARCH ENGINE OPTIMIZATION INTEGRATION

Organizations are more likely to integrate content marketing with SEO than they are with any other digital marketing discipline.

45% of all company respondents say content marketing is 'highly integrated' with SEO efforts. Meanwhile, agencies perceive higher levels of integration in content marketing than their clients.

51% of agencies state content marketing is 'highly integrated' with SEO efforts.

SEO Efforts that are Highly Integrated with Digital Marketing Disciplines



3. STRENGTHS: DESIGN:

Definition:

Web design encompasses many different skills and disciplines in the production and maintenance of websites.

A site can be the most functional, user-friendly and search-optimized in the world; if people don't like the look of it, they will bounce off your page and never come back. Making sure a site looks good and that it reflects your brand company identity is the difference between success and failure, and having a good web design agency on your side is more important than ever.

Web Design Services:

- e-Commerce
- Device Compatibility
- Web Development
- Mobile Compatibility
- Process & Planning
- Content Management System (CMS)
- Version Control

Changes in the Last Few Years

With the rise of mobile devices and tablets, the game has changed. It's no longer enough for your site to look great on a PC; it has to be able to scale from a widescreen view of a modern flat screen monitor to the narrow portrait of an Android mobile screen; it has to spin and rotate with the movements of an iPad. This aspect of website design is called 'responsiveness,' and in the last few years has gone from being 'nice to have' to absolutely essential, necessitating a complete website redesign in many cases. Digital Clarity have years of experience in building functional, beautiful websites which work across all devices.

Digital Clarity's Unique Proposition

Specialist creative agencies are great at making things pretty and applying their own methodologies and ideas to client websites. Digital Clarity takes a different approach: combining a client's ideas, vision and brand identity with our experience and expertise to produce sites which perfectly blend form and functionality. Additionally, Digital Clarity does not design in a bubble; the sites built integrate seamlessly with PPC campaigns, SEO activity, and are fully optimized to perform as part of a greater whole. Digital Clarity does not just build websites; the company's role as a website design agency is part of a holistic approach which will help achieve the overall business goal.

4. STRENGTHS: SOCIAL MEDIA:

Definition

Social media refers to sites where users interact with each other on a large scale, including Facebook, Twitter, LinkedIn, Pinterest, Imgur, Tumblr and many others. Begun as a social phenomenon, the growth in use of social media sites over the past decade has made it impossible to ignore for any brand or business.

- Social Media Audit
- Content Creation
- Social Media Management
- Social Media Set Up
- Reporting
- Blog Writing
- Content Strategy
- Reputation Management
- Social Media Advertising

The Need for Social

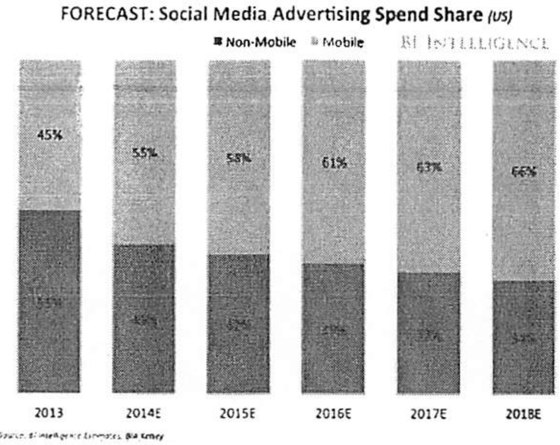
Social media can help achieve business goals by allowing greater engagement with your customer base, audience and stakeholders. Your company doesn't just need a brand anymore: it needs a face, a voice, and maybe even a heart. As well as being a central component of how your customers see you, it can also yield other opportunities: Promotions, customer feedback, and even just having a little fun can all be used to bring you closer to your clients and users, informing strategy, guiding your product offering and in the long term, increasing sales and profits.

Digital Clarity's Proposition

As a Digital Marketing and Technology Agency, Digital Clarity has been helping brands manage their social presence since before 'social media' had been coined as a phrase. Using our holistic methodology, we will incorporate your social presence as part of an overall offering, utilizing the platforms which are most appropriate to your business in the best possible way. Whether you need from-scratch implementation, or just want a social media audit to benchmark your activity, Digital Clarity have the expertise to deliver the results you need.

Digital Clarity have a strong track record of increasing membership numbers, creating deeper engagement, and measuring the success of your activity to help inform social media marketing strategy and guide development.

The Market for Growth in Social



- Social-media advertising spend will grow rapidly through 2018. It's up 40% this year and will top $8.5 billion, growing to nearly $14 billion in 2018, a five-year compound annual growth rate (CAGR) of 18%.
- Social media ad spend has reached the mobile-tipping point. Spending on mobile social-media ads, including mobile app-install ads, will surpass non-mobile spend by the end of this year in the US. In 2018, two-thirds of social-media ad spend will go to mobile, creating a $9.1 billion social-mobile market.

Mobile app-install ads and programmatic buying are also growth drivers. Analyses suggest that mobile app-install ads could account for anywhere from one-quarter to more than one-half of Facebook's mobile ad revenue.

Prices are increasing as performance and targeting improve, even as ad loads stay steady on the established platforms. Facebook, for example, is not likely to increase the amount of in-feed native ads an average user will see.

The market is expanding with the introduction of paid ad units at Pinterest and Instagram.

5. STRENGTHS: ANALYTICS

Definition:

Analytics is the act of analyzing data from your website, marketing campaigns and user activity. It can include everything from what time of day people are most likely to click on your PPC ads, right down to how long users are spending on individual pages on your site. Analytics can help you locate problems, find areas for improvement, form projections for the future and help you get the best out of your marketing budget.

- Google Analytics
- Goal Setting
- Tag Management
- 3rd Party Analytics
- Funnel Planning
- Attribution Modelling
- Path Analysis
- Link Testing

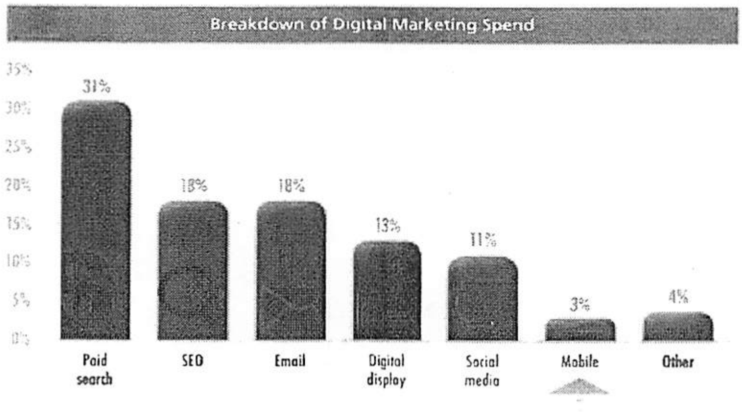
Why Analytics Are Important

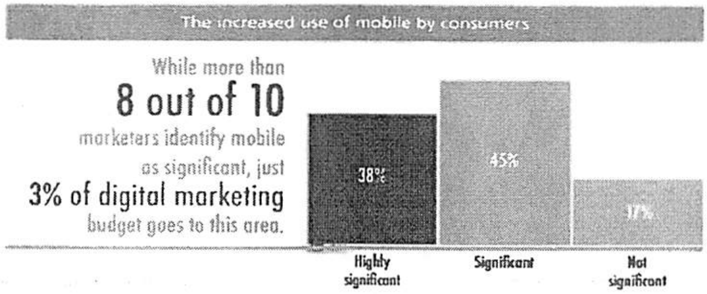
Knowing how to identify trends and interrogate data is of paramount importance to any marketing department. Analytics gives you answers to some of the most important questions you should be asking about your campaigns, maximizing effectiveness when things go well and providing solutions when things go wrong. Without this information, what appears to be a successful campaign could be failing to achieve its full potential, and there may be critical problems of which many companies may not be aware.

Digital Clarity's Unique Proposition

What really sets Digital Clarity apart is the company's ability to translate numbers into action. Analytics is extremely important, but for many, it is difficult to draw meaningful conclusions from the data, or to know how to act on the knowledge gained from this analysis. Online marketing is a sea of numbers, data and statistics; Digital Clarity turns this information into actionable insights for business.

Nearly half of digital marketing budgets are spent on search, with 31% on paid search and 18% on SEO.





Digital Clarity's knowledge of analytics methodologies puts us at the forefront of our industry. We can use this experience to help guide strategy and deliver action points with recommendations, rather than just presenting you with meaningless statistics. With this knowledge in hand, you can implement solutions which will help you get the most out of your online presence. Digital Clarity also offers Google Analytics training to help businesses get the most out of this powerful tool independently.

Source:

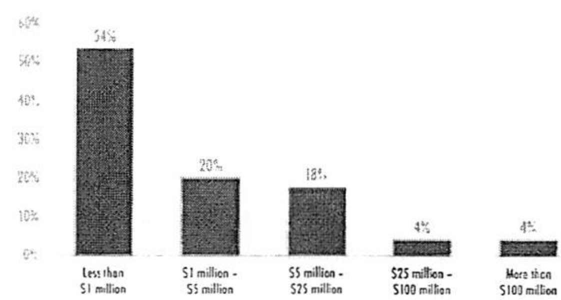
SEMPO State of Search Report 2014

As the internet and mobile arena continues to mature, the need to make sense of and manage companies through this often complex market is clearly an area of massive growth. The company is confident that the talent and experience within the digital marketing team is poised for a major springboard in 2015, but must be expanded significantly in order to support the global reach intended.

Artist Collaboration, driven by Co-Chief Operating Officer and Head, US Operations, Steve Baughman, is an area that will see exponential growth in the coming 12 months and beyond. Artists and brands that look to leverage their celebrity status will look to companies such as Digital Clarity to help drive and develop their brand in the growing and complex arena of social media.

SPEND ON DIGITAL MARKETING

More than half of responding companies, 54%, spent less than $1 million per annum on digital marketing in 2013; at the other end of the spectrum, 4% of companies spent more than $100 million.



Market Reach

The Company has reach and experience across a large number of vertical markets including, but not limited to: Entertainment/ Fashion/ Sports/ Automotive/ Ecommerce.

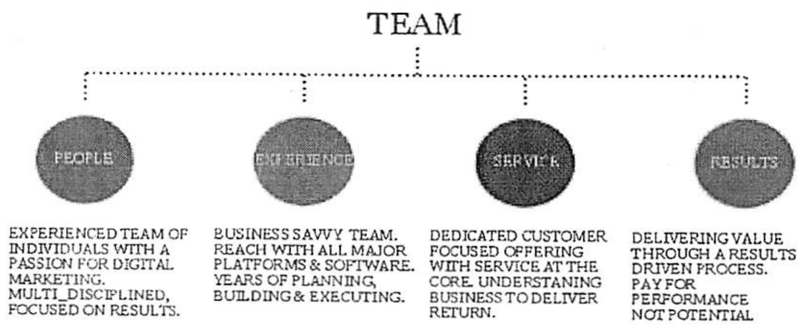
Relationships and Industry Contacts

The team at Digital Clarity have professional and personal contacts, including some long-term relationships, at companies such as Google, Microsoft and Facebook, often being invited to attend strategic market briefings and insights.

Partnerships, strategic alliances and agency management have allowed Digital Clarity to work on some of the biggest brands, sitting behind the agencies as a support and resource to deliver very high quality service and results to their clients.

TEAM EXPERTISE

COMPANY KEY ASSETS



Examples:

- PPC campaign experience especially Google AdWords existed
- SEO evolution from aggressive link building and onsite SEO through to strategic marketing and integration of inbound marketing
- Website design and development based on results driven design and planning
- Brand consultancy
- Social media management and advertising. Several clients have been "won" directly via Digital Clarity's internal social media strategy
- Sales and account management experience from multi-disciplined backgrounds

Evolution and Flexibility

The market is continually changing. Digital Clarity has always remained ahead of the curve and given their clients peace of mind by remaining a true strategic partner.

Creative, Individualized Solutions and Customer Service

Case Studies and testimonials reflect the client-centric approach of Digital Clarity. Being selected over larger more established firms, support that we provide the client with skills that are differentiating. The Digital Clarity Brand is being established positively.

Growth Opportunities in the Market

As the use of web mobile sites and applications grow, so do the complexities and challenges of using these sites and platforms commercially. Digital Clarity directs business through the maze of an often confusing and sophisticated set of barriers, to create a clear path for the customer to our client's product or service. As this market matures, the need for companies to rely on the services from Digital Clarity can only grow. Specifically, B2B relationships represent 69% of all U.S. e-commerce transactions (Forrester 2013). Here we look at some of the growth areas in Digital Clarity's arsenal integrating the key trends for 2015:

1. More Mobile
2. More Social
3. More Informed
4. More Experiential
5. More Real-Time
6. More Global
7. More Multichannel

These trends translate to being "always on."

Growth & Opportunities in Search

Search remains the foundation of digital marketing. Businesses now spend 24% of total marketing budget on paid search.

- The North American Search industry grew from $19 billion in 2011 to $27 billion in 2013 – SEMPO
- Revenue from Localized Mobile Ads to Reach $5.8 Billion in U.S. by 2016 – BIA/Kelsey
- U.S. search spend grew by 11 percent Year over Year, while ROI improved by 26 percent – Adobe
- 72% of Consumers Want Mobile-Friendly Sites – Google Research
- 2 million search queries are made on Google, every minute – Google
- Growth in Corporate Search – 50% of Fortune 100 Companies have a Google Plus Account

Growth & Opportunities in Social Media

"Social Media is a great platform for 'getting the word out' and generating leads. Active listening and data analytics can help companies find out what customers want, not just from products or services, but also in terms of an ongoing relationship."

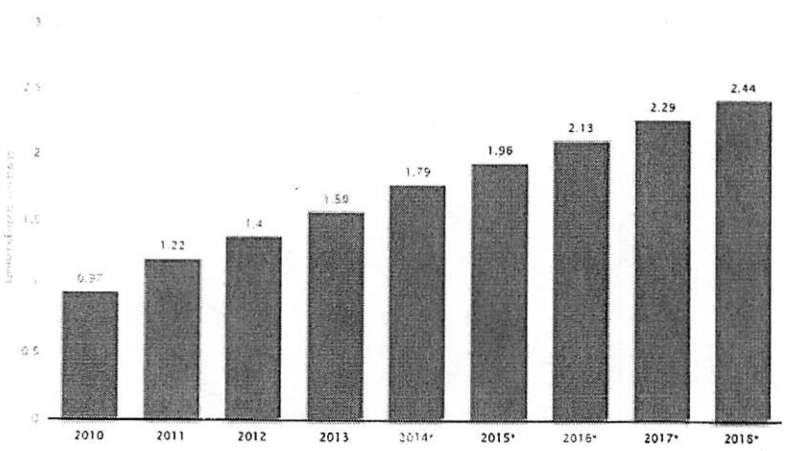
– Cap Gemini 2014 – "Generation Connected"

The algorithms developed by Digital Clarity include all social media platforms as they develop, and technology partners coupled with the client's analytics provide ROI positive results within a quarter.

Social media platforms have more user accounts than ever before:

- 284 million Twitter accounts
- 1.35 billion Facebook accounts
- 70 million Pinterest accounts

Number of social network users worldwide from 2010 to 2018 (in billions)



The need for DBMM to reach Global Markets

In 2015, it is expected that the U.S. economy will continue its recovery while the global economy is lagging behind. As the markets remain volatile, the opportunity for a company like DBMM to approach new business with its proven track record increases. The core markets remain US and English speaking European markets. Emerging markets are a target for 2015. BRIC countries (Brazil, Russia, India and China) will be key targets from the emerging markets.

Internet usage is poised for explosive growth across Asia, driving massive consumer demand for digital content and services. The biggest challenge for businesses hoping to meet this demand is how to make money while creating low-cost content. According to McKinsey & Co, India and China are driving an emerging digital revolution via new mobile devices.

The Company intends to further extend its services in the Middle Eastern market initially then review the successes using a lean methodology and continuous improvement along the way, and then roll out to the BRIC markets.

US

The US remains the center of the entertainment, technology and digital industries and as such the emphasis looking forward to 2015 and building on the recent success in the last quarter of the 2014 calendar year means that DBMM and its agency Digital Clarity are perfectly positioned to spring board into this market using the successful models established over the last two years.

The digital market continues to be focused on London, New York and Los Angeles; therefore, DBMM's same triangle of London/New York/LA is strategically sound. We are establishing a strong digital marketing presence in the Los Angeles area to cover the entertainment and music market and then plan to have the same model in New York. Our corporate offices are located in New York, however Los Angeles remains a key regional base from which to build and expand relationships, while a New York presence is equally important to serve and build relationships in the largest advertising market in the US.

The Asian-American Market - An Unusually Attractive Opportunity

- Fast Growing: -Current Population - 13+ Million - 49% population growth 1990-2000; 29% growth 2000-2008. More Asians are emigrating to the U.S. than any other ethnic group.
- Educated & Affluent: -44% holding BA degree - vs. 28% of Non-Hispanic Whites -Median HH income almost $10K greater than Non-Hispanic Whites
- Geographically Concentrated: -More than 50% reside in 3 states alone: CA, NY, and TX.
- Money to Spend: $509 billion in annual purchasing power.
- Entrepreneurial and Driven -Own and operate 1.1 million business nationally, generating $343 billion in annual revenue.
- Cost Efficient Reach -Almost 1,000 targeted media outlets reaching Asians nationally, with lowest CPMs of all consumer segments.

Europe

As the current operations base of the digital marketing agency is in London England, it is perfectly placed to reach out to the broader European market to replicate the Company's model in the stronger economies in this region. As with the relationships mentioned in the US, opportunities were advanced with US partners to leverage Digital Clarity's reach in this region and help take established US agencies into the European region.

2014 saw new clients emerge from Europe, as well as expansion of global reach of new U.S. clients.

In 2013, the execution of this aspect of the business plan is illustrated by the agreements with VMS and Brandmini to represent them outside the United States, initially in Europe.

Middle East

The Middle East is a fertile market for heritage based US and European brands looking for entry into this lucrative market. The fastest area for growth in this sector is to leverage on the luxury arena. Digital Clarity has developed new business in a number of different luxury brands.

Given the complexity of the region as well as the enormous potential, it is important that Digital Clarity aligns itself with established players in local markets. With this in mind, Digital Clarity will look to collaborate with some digital agency partners where there is already a relationship and create a strategy that allows the company to look at the breakdown of current digital competence of these brands focusing on various touch points such as tablets, sites, mobile & social reach in the Middle East.

Our value proposition is very much about creating digital penetration of the Middle Eastern market for a particular group and how those brands would be positioned to create brand value – a byproduct of which would be sales.

Support for growth in the Middle East

Worldwide luxury goods continues double-digit annual growth; global market now tops €200 billion

- Dubai commands around 30 per cent of Middle East luxury market and around 60 per cent of the UAE's luxury market
- The Dubai Mall accounts for around 50 per cent of Dubai's luxury purchases
- Each year, more "HENRYs"(High Earnings, Not Rich Yet) become potential customers, with ten times as many HENRYs as ultra-affluent individuals
- The rise of the middle class in emerging countries is polarizing the competitive arena, becoming a "new baby-boom sized generation" for luxury brands to target.

Financial Overview/Outlook

DBMM began the 2015 fiscal year with significant challenges, all of which were addressed and became a strong foundation for future growth. The focus remains on the growth of digital marketing services and technology driven through Digital Clarity. DBMM is a marketing services company which is labor intensive in order to provide a differentiating product to its clients. As such, it is imperative to raise a significant amount of capital to hire professionals who can deliver profit to the Company within a quarter. The proven model carried in our financials is each new hire/client averages a margin of 35%-55%, straight line and simple. On that basis, our target is to recruit 10-20 new staff to represent a critical mass and scale up our revenues proportionately. We have begun that trajectory upward in the 1Q 2015.

Digital Clarity has a differentiating approach to its products and services by providing brand enhancement and increased ROI through a strategic alignment with its clients from content design through execution and stewardship. By providing a 360-degree product, we reinforce the relationship with the clients and become key advisors – a seat at the table, as it were. That translates to a consistent 35-55% margin and long-term clients.

However, the weakened share price remains a challenge to the Company. On that basis, in the last two years having revenues of approximately $400,000 to $500,000 would suggest a conservative market multiple of x10-x16, the latter being the manufacturing average, the market cap of DBMM should be a minimum of $5,000,000. The multiples for media tend to be at the higher end of the spectrum; therefore, compared to other companies in this sector, DBMM is significantly undervalued. The issue will be addressed as a priority early in the 2015 fiscal year as it continues to be challenge.

In summary, DBMM's financing efforts have always been in short term, small amounts of working capital. That is changing in 2015. Going forward, DBMM intends to embark on a significant capital raise to allow the Company to scale up geographically and maximize our global reach through strategic relationships. This model is the most efficient and effective path to grow DBMM quickly into multiple revenue streams. We have proven the model in the last two years. Our marketing services' offering is a labor intensive endeavor, wherein human capital is a key differentiator of knowledge and/or relationships. What we have discussed here is organic growth which will be conducted in conjunction with concluding an acquisition in the digital technology/marketing services sector.

After a very difficult year, fraught with challenges and hurdles, we see 2015 as poised for growth on multiple fronts. With capital infusion, which will allow us to bring in new clients, grow existing successful clients and service them accordingly, coupled with an offer of a deferred tax asset to attract partners with significant revenue and expansion patterns, we will have a model in place which will be sustainable.

Off-Balance Sheet Arrangements

We are not currently a party to, or otherwise involved with, any off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Recently Issued Accounting Pronouncements

Management does not believe that any recently issued, but not yet effective, accounting standards, if currently adopted, could have a material effect on the accompanying financial statements.

Significant and Critical Accounting Policies

Our discussion of the financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in conformity with accounting principles generally accepted in the United States. The preparation of our consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosure of any contingent assets and liabilities at the date of the financial statements. Management regularly reviews its estimates and assumptions, which are based on historical factors and other factors that are believed to be relevant under the circumstances. Actual results may differ from these estimates under different assumptions, estimates or conditions.

Critical accounting policies are defined as those that are reflective of significant judgments and uncertainties, and potentially result in materially different results under different assumptions and conditions. See "Notes to Consolidated Financial Statements" for additional disclosure of the application of these and other accounting policies

LIQUIDITY AND CAPITAL RESOURCES

We are concentrating on activities which will grow Digital Clarity organically and by acquisition. We have spent the last two fiscal years establishing a client model for existing and new customers which can be exported geographically.

NINE-MONTH PERIOD ENDED MAY 31, 2015

We had approximately $35,000 in cash and our working capital deficiency amounted to approximately $2.5 million at May 31, 2015.

During the nine-month period ended May 31, 2015, we used cash in our operating activities amounting to approximately $238,000. Our cash used in operating activities was comprised of our net loss from continuing operations of approximately $674,000 adjusted for the following:

- Additionally, the following variations in operating assets and liabilities impacted our cash used in operating activity:
- An increase in our accounts payable and accrued expenses of approximately $72,000
- An increase in our accrued salaries of approximately $112,000

During the quarter ended May 31, 2015, we generated cash from financing activities of $239,500, which consist of the proceeds from the issuance of loan payables.

NINE-MONTH PERIOD ENDED MAY 31, 2014

We had approximately $57,000 in cash and our working capital deficiency amounted to approximately $2.2 million at May 31, 2014.

During the nine-month period ended February 28, 2014, we used cash in our operating activities amounting to approximately $297,000. Our cash used in operating activities was comprised of our net loss from continuing operations of approximately $1 million adjusted for the following:

- Fair value of preferred shares issued of $144,985
- Change in fair value of derivative liability of $122,400
- Amortization of debt discount of $417,592

Additionally, the following variations in operating assets and liabilities impacted our cash used in operating activity:

- An increase in our accounts payable and accrued expenses of approximately $215,000, resulting from slower payment processing due to our financial condition
- An increase in accounts receivables of approximately $42,000, primarily due to timing of certain revenues during the quarter ended February 28, 2014

During the nine-month period ended February 28, 2014, we generated cash from financing activities of $338,450, which primarily consists of the proceeds from the issuance of loans and convertible debt aggregating $401,600 offset by principal repayments of loans payable of $40,000 and payment of the bank overdraft of approximately $23,000.

RESULTS OF OPERATIONS

Comparison of the Results for the Three-month periods Ended May 31, 2015 and 2014

Unaudited Consolidated Operating Results

	For the Three Months Ended May 31, 2015	2014	Increase/ (Decrease) $ 2015 vs 2014	Increase/ Decrease % 2015 vs 2014	For the Nine Months Ended May 31, 2015	2014	Increase/ (Decrease) $ 2015 vs 2014	Increase/ Decrease % 2015 vs 2014
SALES	$ 111,192	$ 79,902	$ 31,290	39%	$ 368,384	$ 292,341	$ 76,043	26%
COST OF SALES	78,237	47,561	30,676	64%	242,862	152,103	90,759	60%
GROSS PROFIT	32,955	32,341	614	2%	125,522	140,238	(14,716)	-10%
COSTS AND EXPENSES								
General and administrative	41,605	64,792	(23,187)	-36%	178,580	165,507	13,073	8%
Compensation Expense	51,000	89,999	(38,999)	-43%	171,000	379,627	(208,627)	-55%
Legal and professional fees	64,901	76,886	(11,985)	-16%	196,369	200,572	(4,203)	NM
TOTAL OPERATING EXPENSES	157,506	231,677	(74,171)	-32%	545,949	745,706	(199,757)	-27%
OPERATING LOSS	(124,551)	(199,336)	(74,785)	-38%	(420,427)	(605,468)	(185,041)	-31%
OTHER INCOME (EXPENSE)								
Interest expense	(65,647)	(147,129)	(81,482)	-55%	(261,623)	(542,698)	(281,075)	-52%
Gain (Loss) on derivative liability	(6,593)	591,106	597,699	NM	8,198	122,400	114,202	NM
TOTAL OTHER INCOME (EXPENSE)	$ (72,240)	$ 443,977	$ 516,217	NM	$ (253,425)	$ (420,298)	$ (166,873)	NM
NET LOSS	$ (196,791)	$ 244,641	$ 441,432	NM	$ (673,852)	$ (1,025,766)	$ (351,914)	NM

NM: Not meaningful

We currently generate revenue through our Pay-Per-Click Advertising, Search Engine Marketing, Search Engine Optimization Services, Web Design, Social Media, Digital analytics and Advisory Services.

For the three and nine-month period ended May 31, 2015 our primary sources of revenue are the Per-Click Advertising, Web Design and Search Engine Optimization Services. These primary sources amounted to 93% and 96% of our revenues during the three and nine-month period ended May 31, 2015. Our secondary sources of revenue are our Social Media and Email Media. These secondary sources amounted to approximately 3% of our revenues.

We recognize revenue upon the completion of our performance obligation, provided that: (1) evidence of an arrangement exists; (2) the arrangement fee is fixed and determinable; and (3) collection is reasonably assured.

During the three and nine-month periods ended May 31, 2015, our revenues increased when compared to the prior year period primarily as a result of increased sales related to Per-Click Advertising.

During the three and nine-month period ended May 31, 2015, our cost of sales increased primarily from increases in media purchases.

The decrease in general and administrative during the three-month periods ended May 31, 2015 is primarily due to an decrease in travel expenses during the third quarter of fiscal 2015, when compared to the third quarter of fiscal 2014. During the nine-month period ended May 31, 2015 the increase of general and administrative is due to the increase in travel on the first two quarters, when compared to the nine-month period of fiscal 2014.

The decrease in compensation expenses during the three and nine-month period ended May 31, 2015 is primarily attributable to a grant of preferred shares to certain of its officers which occurred during the first quarter of fiscal 2014 and which amounted to $144,985.

The legal and professional fees during three and nine-month period ended May 31, 2015 when compared to the comparable prior year periods decrease primarily due to decreased services provided by professionals in connection with the Company's filings during the third quarter of fiscal 2015.

Interest expense, which include interest accrued on certain notes, as well as amortization of debt discount and the fair value of shares issued pursuant to reset provisions of certain convertible promissory notes, decrease during the three-month period and nine-month period ended May 31, 2015 is primarily attributable to the amortization of debt discount which was lower during the three and nine-month periods ended May 31, 2015, when compared to the comparable prior year periods. The decrease in amortization debt discount is primarily due to the lesser issuance of convertible debt with beneficial conversion features and embedded conversion features during the three and nine-month period ended May 31, 2015 than the prior year comparable periods.

The gain or loss on derivative liabilities is primarily attributable to a change in fair value of derivative liabilities between measurement dates.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

As a "smaller reporting company", as defined by Rule 10(f)(1) of Regulation S-K, the Company is not required to provide this information.

Item 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this quarterly report, our management evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15(b) promulgated under the Exchange Act. Based upon that evaluation, our management concluded that, as of May 31, 2015, our disclosure controls and procedures were effective in ensuring that material information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, including ensuring that such material information is accumulated and communicated to our management, as appropriate to allow timely decisions regarding required disclosure.

Evaluation of Disclosure Controls

We maintain controls and procedures designed to ensure that we are able to collect the information that is required to be disclosed in the reports we file with the Securities and Exchange Commission (the "SEC") and to process, summarize and disclose this information within the time period specified in the rules of the SEC. Our management is responsible for establishing, maintaining and enhancing these procedures. Management is also responsible, as required by the rules established by the SEC, for the evaluation of the effectiveness of these procedures.

Internal Controls

We maintain a system of internal controls designed to provide reasonable assurance that transactions are executed in accordance with management's general or specific authorization; transactions are recorded as necessary to permit preparation of financial statements in conformity with Generally Accepted Accounting Principles ("GAAP") and maintain accountability for assets. Access to assets is permitted only in accordance with management's general or specific authorization.

In conclusion, the disclosure and procedure controls provide for reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The Company is involved in a litigation, Asher Enterprises, Inc. v. Digital Brand Media & Marketing Group, Inc. and Linda Perry, Index No. 600717/2014, in the Supreme Court of the State of New York, sitting in the County of Nassau. The Plaintiff alleges $337,500 in damages based on breach of contract allegations arising from the Company's untimely periodic filings in December 2013. On September 18, 2014, the Court declined to grant the plaintiff's application for default judgment. The cross-motion for the Company was granted and the lender was directed to file a verified answer in the form submitted within 20 days. The Company plans on vigorously defending the litigation.

Item 1A. Risk Factors

As a "smaller reporting company" as defined by Item 10 of Regulation S-K, the Company is not required to provide information required by this item.

Item 2. Unregistered Sale of Equity Securities and Use of Proceeds

Period	Class	Shares	Consideration	Use of Proceeds	Exemption from Registration
2014-2015 Q3	Investors	100,000	$4,500	Reduction of Outstanding Debt	§4 (a) (2)

Item 3. Defaults Upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

None.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibits

31.1 Executive Director - Rule 13a-14(a) Certification

32.1 Executive Director - Sarbanes-Oxley Act Section 906 Certification

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DIGITAL BRAND MEDIA & MARKETING GROUP, INC.

Date: September 23, 2015

By: */s/ Linda Perry*

Linda Perry

Executive Director

DIGITAL BRAND'S PERIODIC REPORTS NOT FILED

Periodic Report	For Period Ended
Form 10-K	August 31, 2015
Form 10-Q	November 30, 2015
Form 10-Q	February 28, 2016
Form 10-Q	May 31, 2016
Form 10-K	August 31, 2016
Form 10-Q	November 30, 2016
Form 10-Q	February 28, 2017
Form 10-Q	May 31, 2017

EXHIBIT
Div. Demonstrative EX. 1