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

Form 10-K

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended December 31, 2011

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number: 000-53862

iGAMBIT, INC.
(Exact name of registrant as specified in its charter)

Delaware	**11-3363609**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

1050 W. Jericho Turnpike, Suite A
Smithtown, New York 11787
(Address of principal executive offices)

(631) 670-6777	**(631) 780-7055**
(Registrant's telephone number)	*(Registrant's former telephone number)*

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

Title of Each Class: NONE	**Name of Each Exchange on Which Registered:**

Securities registered pursuant to Section 12(g) of the Act: Common Stock

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☑

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ 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 file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Date File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of the chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of 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 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. (Check one):

Large accelerated filer ☐	Accelerated filer ☐	Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☑

Indicate by check mark whether the registrant is a shell company (as defined in Rule 126-2 of the act):
Yes ☐ No ☑

There is not currently a market for the Registrant's common stock.

As of March 30, 2012 there were 23,954,056 shares of the Registrant's $0.001 par value common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE: None

iGAMBIT, INC.
FORM 10-K — FOR THE YEAR ENDED DECEMBER 31, 2011

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This annual report on Form 10-K is for the year ended December 31, 2011. The Securities and Exchange Commission ("SEC") allows us to "incorporate by reference" information that we file with the SEC, which means that we can disclose important information to you by referring you directly to those documents. Information incorporated by reference is considered to be part of this annual report. In addition, information that we file with the SEC in the future will automatically update and supersede information contained in this annual report. In this annual report, “Company,” “we,” “us” and “our” refer to iGambit, Inc. and its subsidiaries.

PART I

This Annual Report on Form 10-K includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company has based these forward-looking statements on the Company's current expectations and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about us and the Company's subsidiaries that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. In many cases, you can identify forward-looking statements by terminology such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target" and other similar words. However, the absence of these words does not mean that the statements are not forward-looking. Factors that might cause or contribute to a material difference include, but are not limited to, those discussed elsewhere in this Annual Report, including the section entitled "Risk Factors" and the risks discussed in the Company's other Securities and Exchange Commission filings. The following discussion should be read in conjunction with the Company's audited Consolidated Financial Statements and related Notes thereto included elsewhere in this report.

ITEM 1. *BUSINESS*

HISTORY

We were incorporated in the State of Delaware under the name BigVault.com Inc. on April 13, 2000. On April 18, 2000, we merged with BigVault.com, Inc., a New York corporation with which we were affiliated. We survived the merger, and on December 21, 2000 changed our name to bigVAULT Storage Technologies, Inc. At that time we were in the business of providing remote, internet-based storage vaulting services and related ancillary services to end users and resellers (the "Vault Business").

On February 28, 2006 we sold all of our assets to Digi-Data Corporation ("DDC"), an unrelated third party, pursuant to the terms of an Asset Purchase Agreement dated December 21, 2005 (the "APA"), a copy of which is filed herewith as an exhibit. As consideration for our transfer of assets under the APA, DDC paid certain of our liabilities and agreed to make certain quarterly and annual revenue sharing payments to us, as is further described below. Mr. Salerno and Ms. Luqman accepted employment with DDC in senior management positions post closing, and continued to work for DDC until February 2009. As of March 1, 2009 Mr. Salerno and Ms. Luqman returned to their full time management roles with the Company.

On April 5, 2006, we changed our name to iGambit, Inc.

On October 1, 2009, we acquired the assets of Jekyll Island Ventures, Inc., a New York corporation doing business as Gotham Photo Company ("Jekyll") through our wholly owned subsidiary Gotham Innovation Lab, Inc., a New York corporation ("Gotham"). Pursuant to the terms of the Asset Purchase Agreement and Plan of Reorganization ("APAPR"), we (i) issued 500,000 shares of our common stock to Jekyll at closing; (ii) assumed $10,410.59 of Jekyll accounts payable relating to office rent and health insurance premiums; and (iii) issued Jekyll warrants to purchase 1,500,000 shares of our common stock, at $0.01 per share, subject to a 3 year vesting schedule and the attainment by Gotham of certain revenue targets during said 3 year period.

On December 2, 2009, we amended our Certificate of Incorporation increasing our authorized shares of common stock to 75 million shares.

OUR COMPANY

Introduction

We are a company focused on the technology markets. Presently we have one operating subsidiary in the business of providing media technology services to the real estate industry. Revenues consist mostly of revenues from the operation of our Gotham subsidiary ($1,623,654 during the year ended December 31, 2011), revenue from technical consulting fees of $160,250, and the receipt of Quarterly Revenue Share Payments and Annual Increase Payments from DDC. Payments earned from DDC totaled $247,860 during the year ended December 31, 2011, all of which was for January and February 2011 Contingency Payments. . . Payments earned from DDC totaled $1,898,435 during the year ended December 31, 2010, of which $1,724,838 was for the four quarters of 2010 Contingency Payments and $173,597 was accrued revenue for the 5% year to year Contingency Payment for the year ended December 31, 2010. . The agreement with DDC ended on February 28, 2011. We expect the balance of the amounts due to be paid during 2012.

Our primary focus is the acquisition of additional technology companies. We believe that the background of our management and of our Board of Directors in the technology markets is a valuable resource that makes us a desirable business partner to the companies that we are seeking to acquire. When we acquire a company, we work to assume an active role in the development and growth of the company, providing both strategic guidance and operational support. We provide strategic guidance to our partner companies relating to, among other things, market positioning, business model and product development, strategic capital expenditures, mergers and acquisitions and exit opportunities. Additionally, we provide operational support to help our partner companies manage day-to-day business and operational issues and implement best practices in the areas of finance, sales and marketing, business development, human resources and legal services. Once a company joins our partner company network, our collective expertise is leveraged to help position that company to produce high-margin, recurring and predictable earnings and generate long-term value for our stockholders.

Our current intention is to fund the purchase price of acquisitions through a combination of the issuance of our common stock at closing and the issuance of common stock purchase warrants that would become exercisable only in the event certain earn-out conditions are satisfied by the acquired company. In addition to acquiring entire companies, we would also consider entering into joint ventures and acquiring less than 100 percent of a target company.

Our Strategy to Grow the Company

General

We have an overall corporate business plan as a holding company to seek out and acquire operating companies. Phase one of our strategy is near completion. We have established new corporate headquarters and a website, expanded our board to include 3 outside independent directors, set up quarterly board meetings, engaged a sophisticated full service law firm, engaged a PCOAB auditing firm, engaged an investment banking firm as advisors to assist in the analysis of target acquisitions, and become an SEC reporting company. In addition, we have identified and acquired our first target company, Jekyll Island Ventures Inc., as a result of a 10 year relationship with Jekyll’s management. While completing phase one of our strategy we are working on a daily basis towards phase two of our strategy, identifying further acquisitions.

Sources of Target Businesses

We anticipate that target business candidates will be brought to our attention from various sources, including our management team, investment bankers, venture capital funds, private equity funds, leveraged buyout funds, management buyout funds, consulting firms and other members of the financial community who will become aware that we are seeking business partners via public relations and marketing efforts, direct contact by management or other similar efforts, who may present solicited or unsolicited proposals. Any finder or broker would only be paid a fee upon the completion of a business combination. While we do not presently anticipate engaging the services of professional firms that specialize in acquisitions on any formal basis, we may decide to engage such firms in the future or we may be approached on an unsolicited basis. Our officers and directors, as well as their affiliates, may also bring to our attention target business candidates that they become aware of through their business contacts. While our officers and directors make no commitment as to the amount of time they will spend trying to identify or investigate potential target businesses, they believe that the various relationships they have developed over their careers together with their direct inquiry, will generate a number of potential target businesses that will warrant further investigation. In no event will we pay any of our existing officers, directors, special advisors or stockholders or any entity with which they are affiliated any finder's fee or other compensation for services rendered to us prior to or in connection with the completion of a business combination. In addition, none of our officers, directors, special advisors or existing stockholders will receive any finder's fee, consulting fees or any similar fees from any person or entity in connection with any business combination involving us other than any compensation or fees that may be received for any services provided following such business combination.

Selecting Acquisition Targets

Our management has virtually unrestricted flexibility in identifying prospective target business and diligently reviews all of the proposals we receive.

The criteria we look for in a potential acquisition include the following:

Company Characteristics

- Established Company with proven track record
    - Company with history of strong operating and financial performance, or
    - Company undergoing a turnaround that demonstrates strong prospects for future growth
- Strong Cash Flow Characteristics.
    - Cash flow neutral or positive,
    - Predictable recurring revenue stream,
    - High gross margins over 60%, and
    - Low working capital and capital expenditure needs
- Strong Competitive Industry Position
    - Leading or niche market position, and/or
    - Strong channel relationships that promote barriers to entry
- Strong Management Team
    - Experienced, proven track record in delivering revenue and ability to execute, or
    - A management team that can be complemented with our contacts and team
- Diversified Customer and Supplier base
- Proprietary products or marketing position

Industry Characteristics

- Non-cyclical
- Services Consumer or niche market
- Fragmented with potential for consolidation or growth
- Emerging markets

Industries of Interest

- Real Estate Services
- Hospitality Services

- Health and Medical records management and billing systems
- Internet
  - Cloud Computing
  - Social Networks
  - Media Distribution
  - Travel Services

Investment Criteria

- Sales Volumes: $500 thousand to $30 million
- Cash Flow: Neutral or positive
- Structure: Controlled ownership. Closely held private company
- Geography: North America, Asia
- Investment size: $1 million to $5 Million
- Involvement: Board oversight
- Controlling Interest: Acquire 100% of controlling interest in target
- Marketing:
  - Target captures a particular segment of the market
  - Target has a focused strategic marketing plan.

These criteria are not intended to be exhaustive. Any evaluation relating to the merits of a particular business combination will be based, to the extent relevant, on the above factors as well as other considerations deemed relevant by our management in effecting a business combination consistent with our business objective.

Diligence Process

Upon receipt of a business plan, the procedure is for management to review the business plan and determine if it satisfies the Company's acquisition criteria, and whether the business plan should be rejected or pursued further. If the plan satisfies the requirements, then Management meets with the target's management to determine if there is a synergy that can work and to explore the business plan in greater detail. Generally this occurs over several meetings and can take some time. Depending on the nature of the business, management may enlist certain technical or industry consultants to meet with the target and provide feedback and analysis. Management will also review the target's financials. If the analysis suggests the target should be explored further Management will present the opportunity to the BOD for approval to pursue the opportunity further. One or two outside directors may meet with the target to make an independent assessment. If the opportunity is approved for further exploration management will discuss potential purchase structure with target's management to be sure that a meeting of the minds exists for a potential deal. At this point management will request that our investment banking advisors give their opinion of the industry, the market and potential financing options of the deal. Often, the investment bankers will meet with target's management. The investment banker's feedback is presented to the board and, if positive, the Board analyzes the proposed financing structure, discusses effects of a transaction on the Company as they relate to taxes, capitalization, stock value etc., engaging the necessary outside consultants. If all appears positive a letter of intent is negotiated and executed, additional diligence is conducted, and definitive transaction documents are negotiated and executed.

Evaluation of the Target's Management

We would condition any acquisition on the commitment of management of the target business to remain in place post closing. Following a business combination, we may seek to recruit additional managers to supplement the incumbent management of the target business. We cannot assure you that we will have the ability to recruit additional managers, or that any such additional managers will have the requisite skills, knowledge or experience necessary to enhance the incumbent management. Although we intend to closely scrutinize the management of a prospective target business when evaluating the desirability of effecting a business combination, we cannot assure you that our assessment of the target business's management will prove to be correct.

Competition

In identifying, evaluating and selecting a target business, we may encounter intense competition from other entities having a business objective similar to ours. Many of these entities are well established and have extensive experience identifying and effecting business combinations directly or through affiliates. Many of these competitors possess greater technical, human and other resources than us and our financial resources will be relatively limited when contrasted with those of many of these competitors, which may limit our ability to compete in acquiring certain target businesses. This inherent competitive limitation gives others an advantage in pursuing the acquisition of a target business.

Companies Currently Under Review

We are constantly in the process of reviewing potential target companies. Currently, we are not under contract to acquire any companies, but we are actively engaged in discussions with four potential acquisition candidates.

Our Partner Company — Gotham Photo Company

Products and Services

Gotham's business is directed at providing media technology services to the real estate community. The range of media services includes the exclusive Gotham EXPO Full Screen Experience. Gotham also provides website development services, sales office technology and data interchange services for many of the real estate firms in New York City.

When it comes to selling real estate every broker or seller listing has to have pictures. Utilizing the latest technology Gotham's EXPO product provides a full screen listing experience. It allows brokers and sellers to present their listing in the largest format possible while giving the viewer control of the show. EXPO integrates images, photos, floor plans, agent and key listing details in an engaging format that immerses the viewer. Currently, Gotham is capable of integrating up to 16 images into a full screen presentation for any listing.

All systems are built on accessible web platforms that integrate quickly and seamlessly into the agent's workflow. EXPO is available on a per unit basis, as an add-on to photography services, or on a subscription basis. We price the product on a per-unit basis at $50 per unit, and offer subscription rates ranging from $400 per month to $2500 per month depending on the average yearly listing volume of the subscriber. EXPO was a key factor in our securing of a semi-exclusive media services agreement with Prudential Douglas Elliman.

In addition to natural expansion into the areas surrounding NYC, Gotham is actively working to expand by further providing services to large accounts that exist in both Manhattan and targeted secondary markets, and through the selective hiring of one-off service providers who are currently operating in other markets.

Competitive Comparison

Gotham competes with others in the industry by focusing on user interaction, technology and delivery. Gotham maintains strict standards of photography and a roster of accomplished photographers who we engage in between their premium assignments such as fashion shoots, architectural projects, etc.

In addition to superior media, in the opinion of management, Gotham's technology tools set us apart from our competition. For example, our expo product offering utilizes the pre-generation of a multitude of media sets to deliver images sized perfectly for the users screen, wasting no bandwidth or file size, thereby enabling us to maintain the speed and efficiency of the product at an optimal level. In the opinion of management, a majority of our competitors either don't seem to employ similar measures in their full screen product offerings or do so, on a more limited basis.

Future Products and Services

Future offerings will include enhanced products that focus on social media interaction, mobile applications and tools for realtors, as well as multi touch augmented reality technologies for presentations, etc. Gotham will continue to expand its media offerings, integrating with and adopting technologies as they become available.

Customers

Gotham currently has less than 996 client accounts, including accounts ranging from single agent accounts to large "master accounts" with large firms such as Prudential Douglas Elliman and Halstead. Taking these and other master accounts into consideration, Gotham does business with over 3,000 New York City real estate agents. The following five customers constituted approximately 81% of the Company's sales in 2011: EGR International, Inc. – 5% of sales; Cambridge Who's Who – approximately 9% of sales; Prudential Douglas Elliman Real Estate, LLC – approximately 38% of sales; Halstead Property Development Marketing LLC – approximately 4% of sales; and Christies Great Estates, Inc. – approximately 24% of sales. The loss of any of the foregoing client accounts could have a material adverse affect on the company's financial condition.

Expansion Strategy and Implementation Summary

Gotham's objective is to be a market leader in offering EXPO, Virtual Tours, and e-Brochures, type services to the real estate industry. Gotham is currently providing services to a number of realtors and brokers in the New York Metropolitan area including, but not limited to, Prudential Douglas Elliman ("PDE"), Corcoran and others. We plan to increase our marketing and client base in the NYC area and expand to other major cities and markets such as Boston, Philadelphia, Washington DC, Chicago, etc. Within 3 years we expect to be offering our services to over 250 US metropolitan statistical areas.

Management meets with Gotham's management on a bi-weekly basis and has refocused Gotham's business model towards a recurring revenue model. The strategy is multi-fold. First to leverage the subsidiary's strong development reputation in the New York real estate market by expanding its client base, thus creating a stronger niche in this market. This involves some transition away from non-real estate development activities. Management is assisting Gotham in its transition by creating budgets, helping to reassign personnel, and aiding in the creation of targeted marketing material. Second to the strategy, is to complete the next version EXPO product which includes the EXPO Media Manager system. Gotham is working in partnership with PDE in the design and implementation of the launce of this new version. Management is assisting in the launch planning process and often attends meeting with PDE and Gotham's management. Upon the successful launch of the PDE Expo Media Management system the third phase of the strategy is to expand and offer the EXPO Media Manage system to the other PDE offices through New York State and other real estate firms. Management has already set up and participated in meetings with Gotham at Prudential Westchester, PDE in the Hamptons, New York, and Coach Realty. The fourth phase after successful penetration throughout New York State is to identify other US cities' real estate markets to target. Management has been evaluating the various markets and has had discussions with Condo-Domain and Fore3. In addition, when analyzing other acquisitions we take into consideration companies that can complement the subsidiary's products and services or expedite the expansion into other cities.

Simultaneous to the EXPO strategy, management has assisted in successfully negotiating a revenue share agreement for Gotham with RealPlus LLC for All Access NYC (AANYC). All Access NYC is a "Virtual Office Website", or VOW. A VOW allows real estate firms to market listings that are represented exclusively by other real estate companies within a given geographic or listing system controlled area. This is all done within the brand of the VOW real estate firm, allowing the firm to better service buyers by showing them ALL listings in one place, as opposed to the current model in NYC, which has buyers reaching out to un-regulated 3rd parties (street easy, NY Times, craigslist), and waiting on antiquated forms of listing delivery. NYC has a need for VOW services since there is no MLS service in Manhattan. Currently, no REBNY controlled firm has the right to display or advertise another firm's listings, leaving buyers in a place where they have to fend for themselves on unregulated sites, or wait on the agents they are dealing with to delivery listings to them. The partnership with RealPlus LLC is significant because RealPlus LLC is one of only a handful of companies in NYC pulling and centralizing the listing data from the various agents in NYC. RealPlus provides the listing data and Access to clients.

DDC Revenue Share Payments and Annual Increase Payments

In connection with the sale of our assets to DDC in February 2006, DDC agreed to make certain ongoing payments to us, which payments have constituted a material amount of our revenues over the last several periods. Specifically, DDC agreed to make quarterly payments to us, for a period of 5 years, in the amount equal to 10% of the Vault Net Revenues received by DDC through its operation of the Vault Business (the "Quarterly Revenue Share Payments"). "Vault Net Revenues" is defined in the APA as the gross revenue of DDC actually received by DDC that is solely and directly attributable to the Vault Business, to the extent that such revenue is derived from the provision of vault services and/or vault appliances which use the Big Vault core technology, less the sum of (i) any discount given by DDC in compensation for early payment, (ii) returns, allowances, quantity discounts and credits, (iii) any accounting reserve amount, as determined in accordance with GAAP, and (iv) shipping and mailing costs, duties, taxes and insurance. In addition, DDC agreed to make an annual payment to us after the 2nd, 3rd, 4th, and 5th anniversaries of the closing of the transaction, in an amount equal to 5% of any increase in the annual Vault Net Revenue over the immediately prior year's Vault Net Revenue (the "Annual Increase Payments", and together with the Quarterly Revenue Share Payments the "Revenue Share Payments"). A schedule of the Quarterly Revenue Share Payments and Annual Increase Payments received to date is set forth below. The agreement with DDC ended on February 28, 2011. We expect the balance of the amounts due to be paid during 2012.

Period Covered		Amount	Date Received
March 1, 2006 - December 31, 2006 Quarterly Revenue Share Payment	$	18,576.42	2/14/2007
1st Quarter 2007 Quarterly Revenue Share Payment	$	20,085.64	7/18/2007
2nd Quarter 2007 Quarterly Revenue Share Payment	$	54,429.29	9/18/2007
3rd Quarter 2007 Quarterly Revenue Share Payment	$	81,761.49	12/17/2007
4th Quarter 2007 Quarterly Revenue Share Payment	$	112,343.36	2/22/2008
1st Quarter 2008 Quarterly Revenue Share Payment	$	142,403.25	5/1/2008
March 2007 — February 2008 Annual Increase Payment	$	159,190.30	5/1/2008
2nd Quarter 2008 Quarterly Revenue Share Payment	$	143,815.13	8/9/2008
3rd Quarter 2008 Quarterly Revenue Share Payment	$	168,844.36	11/10/2008
4th Quarter 2008 Quarterly Revenue Share Payment	$	246,005.85	3/10/2009
1st Quarter 2009 Quarterly Revenue Share Payment	$	286,976.65	6/30/2009
March 2008 — February 2009 Annual Increase Payment	$	222,322.00	6/30/2009
2nd Quarter 2009 Quarterly Revenue Share Payment	$	325,514.21	9/25/2009
3rd Quarter 2009 Quarterly Revenue Share Payment	$	364,196	12/24/2009
4th Quarter 2009 Quarterly Revenue Share Payment	$	414,851	2/28/2010
1st Quarter 2010 Quarterly Revenue Share Payment	$	472,384	5/26/2010
March 2009 — February 2010 Annual Increase Payment	$	362,202	*
2nd Quarter 2010 Quarterly Revenue Share Payment	$	536,349	**
3rd Quarter 2010 Quarterly Revenue Share Payment	$	339,948	**
4th Quarter 2010 Quarterly Revenue Share Payment	$	376,158	****
January and February 2011 Revenue Share Payment	$	247,860	****
		4,472,198	

* $180,000 paid on 6/21/2010, and $182,202 paid on 7/26/2010.**$100,000 paid on 9/29/2010 $75,000 paid on 10/27/2010, $75,000 paid on 11/29/2010, $25,000 paid on 12/24/2010, $25,000 paid on 12/28/2010, $50,000 paid on 1/31/2011, $50,000 paid on 2/24/2011, $50,000 paid on 3/28/2011 $60,000 paid on 4/29/2011, and $26,349 paid on 5/31/2011.

***Partial payments received. $33,651 paid on 5/31/2011, $60,000 paid on 6/30/2011, $5,000 paid on 7/29/2011, $5,000 paid on 8/31/2011, $25,000 paid on 9/29/2011, $25,000 paid on 10/14/2011, $25,000 paid on 10/28/2011, $25,000 paid on 11/14/2011, $25,000 paid on 12/7/2011 and $25,000 paid on 12/15/2011.
**** Not yet received.

Employees

We presently have14 total employees, all of which are full-time.

SEC FILINGS

We are classified as a "Smaller Reporting Company" for the purpose of filings with the Securities and Exchange Commission. Certain Form 10-K report disclosures previously included that are not required under the disclosure requirements of a smaller reporting company have been omitted in this report.

Interested parties may access our public filing free of charge on the SEC's EDGAR website located at www.sec.gov.

OUR CORPORATE INFORMATION

Our principal offices are located at 1050 W. Jericho Turnpike, Suite A, Smithtown, New York, 11787. Our telephone number is (631) 670-6777 and our fax number is (631) 670-6780. We currently operate two corporate websites that can be found at www.igambit.com and www.gothamphotocompany.com (the information on the foregoing websites does not form a part of this report).

ITEM 1A. ***RISK FACTORS***

Not Required.

ITEM 1B. ***UNRESOLVED STAFF COMMENTS***

Not Required.

ITEM 2. ***PROPERTIES***

Our principal executive office is located in Smithtown, New York, where we lease approximately 1000 square feet of office space. Monthly lease payments are approximately $1,500. The lease is for a term of five (5) years commencing on March 1, 2012 and ending on February 28, 2017. The lease contains annual escalations of 2% of the annual rent.

Our Gotham operations are located in New York, New York, where we lease approximately 3,000 square feet of office space. Monthly lease payments are approximately $5,000 and the lease renews annually on October 31.

Our leased properties are suitable for their respective uses and are, in general, adequate for our present needs. Our properties are subject to various federal, state, and local statutes and ordinances regulating their operations. Management does not believe that compliance with such statutes and ordinances will materially affect our business, financial condition, or results of operations.

ITEM 3. ***LEGAL PROCEEDINGS***

On November 1, 2011, we filed a lawsuit in the Circuit Court in and for Broward County, Florida, asserting claims against Allied Airbus, Inc. (as "Borrower") and Michael Polo, Kishore Taneja and Alberto Gonzalez (collectively, as "Guarantors") for monetary damages arising from the breach of multiple promissory notes owed by Borrower to us and to enforce guaranty agreements executed by Guarantors to secure payment of the promissory notes. On or about January 20, 2012, we filed an Amended Complaint after additional promissory notes owed by Borrower became due and following Borrower's and Guarantors' default on payment of same. In response to the lawsuit, Borrower and Guarantors Polo and Taneja, filed a counterclaim that was subsequently amended on or about February 9, 2012. The Amended Counterclaim asserts claims against us for alleged fraud and for alleged violations of Florida's deceptive and unfair trade practices act for, amongst other things, the alleged failure to loan Allied $1,500,000.00 following an alleged prior commitment to do so.

ITEM 4. *(REMOVED AND RESERVED)*

PART II

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

MARKET INFORMATION

Effective March 19, 2011 the Company's common stock is quoted on the Over the Counter Bulletin Board, a service maintained by the Financial Industry Regulatory Authority, under the ticker symbol "IGMB". To date there has not been an established public trading market in the Company's common stock.

HOLDERS

As of March 30, 2012, there are 23,954,056 shares of our common stock outstanding, held of record by 159 persons. We have 2,335,000 common stock warrants outstanding and 2,468,900 common stock options outstanding.

As of March 30, 2012, approximately 21,737,018 shares of our common stock are eligible to be sold under Rule 144.

DIVIDENDS

We have never declared or paid any dividends on our common stock. Any determination to pay dividends in the future will be at the discretion of our Board of Directors and will be dependent upon our results of operations, financial condition, capital requirements, contractual restrictions and other factors deemed relevant by the Board of Directors. The Board of Directors is not expected to declare dividends or make any other distributions in the foreseeable future, but instead intends to retain earnings, if any, for use in business operations.

EQUITY COMPENSATION PLAN INFORMATION

We currently have one equity compensation plan outstanding which is our 2006 Long Term Incentive Plan. The Plan was adopted by our directors and approved by our stockholders on March 26, 2006. The Plan permits the award of incentive stock options, non-qualified stock options, stock appreciation rights, and stock grants. We have reserved 10 million shares for issuance under the Plan, plus an annual increase equal to 10% of the number of outstanding shares of our common stock on the first day of each year, but in no event more than 15 million shares of common stock in the aggregate. As of December 31, 2011, there were 8,617,520 shares available for issuance under the Plan.

In addition to our 2006 Long Term Incentive Plan, we have issued and outstanding compensatory warrants to two consultants entitling the holders to purchase a total of 275,000 shares of our common stock at an average exercise price of $per share. Warrants to purchase 25,000 shares of common stock vest upon 6 months after the Company engages in an IPO, have an exercise price of $3.00 per share, and expire 2 years after the Company engages in an IPO . Warrants to purchase 250,000 shares of common stock vest 100,000 shares on issuance (June 1, 2009), and 50,000 shares on each of the following three anniversaries of the date of issuance, have exercise prices ranging from $0.50 per share to $1.15 per share, and expire on June 1, 2019. The issuance of the compensatory warrants was not submitted to our shareholders for their approval.

The following table describes our equity compensation plans as of December 31, 2011:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding securities referenced in column (a)) (c)
Equity compensation plans approved by our stockholders (1)	2,768,900	$ 0.03	8,617,520
Equity compensation plans not approved by our stockholders	275,000	$ 0.83	0

(1) Equity compensation plans approved by our stockholders consist of our 2006 Long Term Incentive Plan.

RECENT SALES OF UNREGISTERED SECURITIES

During 2011 we sold the following securities in transactions not registered under the Securities Act of 1933, as amended (the “Securities Act”):

On February 18, 2011 the Company cancelled the Consulting Agreement between the Company and Aquililla and entered a Business advisory Agreement with J.P. Turner and Company, where Aquililla was employed. We issued warrants to purchase 2,000,000 shares of our common stock to JP Turner pursuant to the terms of the Business Advisory agreement between the Company and JP Turner. The warrants were issued as part consideration for the services rendered by JP Turner under the consulting agreement, and were valued at $1,759 using the Black-Scholes pricing model. 500,000 warrants, at an exercise price of $0.50 per share, vested upon issuance; 500,000 warrants, at an exercise price of $0.65 per share, vest on the 1 year anniversary of issuance; 500,000 warrants, at an exercise price of $0.80 per share, vest on the 2 year anniversary of issuance; and 500,000 warrants, at an exercise price of $1.15 per share, vest on the 3 year anniversary of issuance. At the time of the issuance JP Turner was able to evaluate the risks and merits of the investment, had access to information regarding the Company, was given the opportunity to ask the Company’s management questions about the Company, and was able to bear the economic risk of the investment. The securities were issued in reliance on Section 4(2) of the Securities Act, and contained a standard restrictive legend. On November 14, 2011 the company entered an agreement with JPTurner cancelling the warrants to purchase 2,000,000 shares of our common stock issued to JP Turner. On February 18, 2012 the Business Advisory agreement with JPTurner terminated.

On July 11, 2011, we issued options to purchase 300,000 shares of our common stock, at $0.01 per share, to our three outside Directors, George Dempster (100,000), James Charles (100,000) and John Waters (100,000). The options were issued in connection with services rendered. The Company determined the fair value of the stock to be $.06 per share, and the fair value of the options at issuance to be $.0087 per share, based on the Black-Scholes pricing model. At the time of the issuances each of the three Directors, Dempster, Charles and Waters, were able to evaluate the risks and merits of the investment, had access to information regarding the Company, was given the opportunity to ask the Company’s management questions about the Company, and was able to bear the economic risk of the investment. The securities were issued in reliance on Section 4(2) of the Securities Act, and contained a standard restrictive legend.

ITEM 6. ***SELECTED FINANCIAL DATA***

Not Required

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

CRITICAL ACCOUNTING ESTIMATES

Our management's discussion and analysis of our financial condition and results of operations are based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements may require us to make estimates and assumptions that may affect the reported amounts of assets and liabilities and the related disclosures at the date of the financial statements. We do not currently have any estimates or assumptions where the nature of the estimates or assumptions is material due to the levels of subjectivity and judgment necessary to account for highly uncertain matters or the susceptibility of such matters to change or the impact of the estimates and assumptions on financial condition or operating performance is material, except as described below.

Fair Value of Financial Instruments

For certain of the our financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and amounts due to related parties, the carrying amounts approximate fair value due to their short maturities.

Revenue Recognition

Contingency payment income is recognized quarterly from a percentage of Digi-Data's vaulting service revenue, and is included in discontinued operations. Our revenues from continuing operations consist of revenues primarily from sales of products and services rendered to real estate brokers. Revenues are recognized upon delivery of the products or services.

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include checking and money market accounts and any highly liquid debt instruments purchased with a maturity of three months or less.

Accounts Receivable

We analyze the collectability of accounts receivable each accounting period and adjust our allowance for doubtful accounts accordingly. A considerable amount of judgment is required in assessing the realization of accounts receivables, including the current creditworthiness of each customer, current and historical collection history and the related aging of past due balances. We evaluate specific accounts when we become aware of information indicating that a customer may not be able to meet its financial obligations due to deterioration of its financial condition, lower credit ratings, bankruptcy or other factors affecting the ability to render payment.

Accounts receivable includes 50% of contingency payments earned for the previous quarter. Reserve for bad debts of $250,000 was charged to operations for the year ended December 31, 2010. No reserve for bad debts was charged to operations for the year ended December 31, 2011.

Property and equipment and depreciation

Property and equipment are stated at cost. Depreciation for both financial reporting and income tax purposes is computed using combinations of the straight line and accelerated methods over the estimated lives of the respective assets. During the year ended December 31, 2011, the Company purchased computer equipment totaling $19,391. Computer equipment is depreciated over 5 years. Maintenance and repairs are charged to expense when incurred. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts and any gain or loss is credited or charged to income.

Depreciation expense of $5,915 and $1,496 was charged to operations for the years ended December 31, 2011 and 2010, respectively.

Goodwill

Goodwill represents the fair market value of the common shares issued and common stock options granted by the Company for the acquisition of Jekyll by the Company's subsidiary, Gotham. In accordance with ASC Topic No. 350 "Intangibles – Goodwill and Other"), the goodwill is not being amortized, but instead will be subject to an annual assessment of impairment by applying a fair-value based test, and will be reviewed more frequently if current events and circumstances indicate a possible impairment. An impairment loss is charged to expense in the period identified. If indicators of impairment are present and future cash flows are not expected to be sufficient to recover the asset's carrying amount, an impairment loss is charged to expense in the period identified. A lack of projected future operating results from Gotham's operations may cause impairment. At December 31, 2011, the Company performed an impairment study and determined that there is no indication that present and future cash flows are not expected to be sufficient to recover the carrying amount of goodwill. Based on the Company's evaluation of goodwill, no impairment was recorded during the year ended December 31, 2011.

Stock-Based Compensation

We account for our stock-based employee compensation plan in accordance with ASC Topic No. 718-20, *Awards Classified as Equity,* which requires the measurement of compensation expense for all share-based compensation granted to employees and non-employee directors at fair value on the date of grant and recognition of compensation expense over the related service period for awards expected to vest. We use the Black-Scholes option valuation model to estimate the fair value of our stock options and warrants. The Black-Scholes option valuation model requires the input of highly subjective assumptions including the expected stock price volatility of the Company's common stock. Changes in these subjective input assumptions can materially affect the fair value estimate of our stock options and warrants.

Income Taxes

We account for income taxes using the asset and liability method in accordance with ASC Topic No. 740, *Income Taxes*. Under this method, deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities, and are measured using the enacted tax rates and laws that are expected to be in effect when the differences are expected to reverse.

We apply the provisions of ASC Topic No. 740 for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in the Company's financial statements. In accordance with this provision, tax positions must meet a more-likely-than-not recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

iGambit is a company focused on the technology markets. Our sole operating subsidiary, Gotham Innovation Lab, Inc., is in the business of providing media technology services to the real estate industry. During the years ended December 31, 2011 and December 31, 2010 Gotham produced approximately

$1,623,654 and $850,222 of revenue, respectively. We are focused on expanding the operations of Gotham by marketing the company to existing and potential new clients. Currently Gotham has several proposals outstanding to franchisees of one of its main customers, as well as other potential new clients. In addition to Gotham's operations, we earned $160,250 in technical consulting fees, and we received Quarterly Revenue Share Payments and Annual Increase Payments from Digi-Data Corporation, which are payable pursuant to the terms of an agreement under which we sold certain assets to DDC in 2006. Contingency Payments earned from DDC under the agreement totaled $1,898,435 during the year ended December 31, 2010, of which $1,724,838 was for the four quarters of 2010 Contingency Payments and $173,597 was accrued revenue for the 5% year to year Contingency Payment for the year ended December 31, 2010. We earned $247,860 under our arrangement with DDC during the year ended December 31, 2011 all of which was for the January and February 2011Contingency Payments The agreement with DDC ended on February 28, 2011. We expect the balance of the amounts due to be paid during 2012. We also continue to focus on acquiring or partnering with additional companies.

Year Ended December 31, 2011 as Compared to Year Ended December 31, 2010

Assets. At December 31, 2011, we had $1,759,089 in current assets and $1,891,178 in total assets, compared to $2,218,175 in current assets and $2,336,788 in total assets as of December 31, 2010. The decrease in total assets was primarily due to the decrease in cash used to fund the loss.

Liabilities. At December 31, 2011, we had total liabilities of $288,585 compared to $351,617 at December 31, 2010. Our total liabilities at December 31, 2011 consisted of accounts payable of $263,195, and a note to a related party of $25,390, whereas our total liabilities as of December 31, 2010 consisted of accounts payable of $326,227, and a note to a related party of $25,390, The decrease in total liabilities was primarily due to the decrease in the income tax provision.

Stockholders' Equity (Deficit). Our Stockholders' Equity decreased to $1,602,593 at December 31, 2011 from $,1,985,171 at December 31, 2010. This decrease was primarily due to an increase in accumulated deficit from $(441,058) at December 31, 2010 to $(824,451) at December 31, 2011 resulting from the end of the contingency payments from Digi-Data Corp.

Revenue and Net Income. We had revenue of $1,783,904 for the year ended December 31, 2011, compared to revenue of $874,774 for the year ended December 31, 2010. The increase in revenue was due primarily to revenue generated by our acquired subsidiary Gotham ($1,623,654). We also earned revenue of $160,250 in technical consulting fees for the year ended December 31, 2011. In addition, we had income from discontinued operations of $163,588 for the year ended December 31, 2011, compared to $997,303 (net of taxes and reserve for bad debt) for the year ended December 31, 2010. Our net loss was ($383,393) for the year ended December 31, 2011, compared to a net income of $158,137 for the year ended December 31, 2010. Our decrease in income from discontinued operations was due to the Digi-Data agreement ending on February 28, 2011. The decrease in net income was due primarily to the termination of the DDC agreement..

General and Administrative Expenses. General and Administrative Expenses increased to $1,863,732 for the year ended December 31, 2011 from $1,829,401 for the year ended December 31, 2010. For the year ended December 31, 2011 our General and Administrative Expenses consisted of corporate administrative expenses of $471,281, legal and accounting fees of $160,907 consulting fees of $36,752, payroll expenses of $1,163,979, Directors and Officers Insurance of $15,813, and IPO business advisory expense of $15,000. For the year ended December 31, 2010 our General and Administrative Expenses consisted of corporate administrative expenses of $483,005, legal and accounting fees of $199,924, consulting fees of $27,738, payroll expenses of $1,111,931, and bad debt expenses of $6,803 related to doubtful accounts receivable of our Gotham subsidiary.. The increases from the year ended December 31, 2010 to the year ended December 31, 2011 relate primarily to: (i) 1; (i) professional costs associated with the preparation and filing of a registration statement with the SEC; and (ii) an increase in insurance, business advisory, and accounting fees associated with being a reporting company under the Securities

Exchange Act of 1934. Further, in the event the company effectuates an acquisition in 2012 we anticipate additional professional fees associated with the acquisition.

LIQUIDITY AND CAPITAL RESOURCES

General

As reflected in the accompanying consolidated financial statements, at December 31, 2011, we had $224,800 cash and stockholders' equity of $1,602,593. At December 31, 2010, we had $465,549 cash and stockholders' equity of $1,985,171.

Our primary capital requirements in 2012 are likely to arise from the expansion of our Gotham operations, and, in the event we effectuate an acquisition, from: (i) the amount of the purchase price payable in cash at closing, if any; (ii) professional fees associated with the negotiation, structuring, and closing of the transaction; and (iii) post closing costs. It is not possible to quantify those costs at this point in time, in that they depend on Gotham's business opportunities, the state of the overall economy, the relative size of any target company we identify and the complexity of the related acquisition transaction(s). We anticipate raising capital in the private markets to cover any such costs, though there can be no guaranty we will be able to do so on terms we deem to be acceptable. We do not have any plans at this point in time to obtain a line of credit or other loan facility from a commercial bank.

While we believe in the viability of our strategy to improve Gotham's sales volume and to acquire companies, and in our ability to raise additional funds, there can be no assurances that we will be able to fully effectuate our business plan.

We believe we will continue to increase our cash position and liquidity for the foreseeable future. We believe we have enough capital to fund our present operations.

Cash Flow Activity

Cash used in operating activities was $659,136 for the year ended December 31, 2011, compared to cash used in operating activities of $1,637,145 for the year ended December 31, 2010. Our primary source of operating cash flows from operating activities for years ended December 31, 2011 was from prepaid expenses of $83,411, compared to net income of $158,137 for the year ended December 30, 2010. The primary source of net income (loss) is income from discontinued operations totaling $163,588 for the year ended December 31, 2011 (net of taxes of $82,314) compared to income from discontinued operations of $997,303 for the year ended December 31, 2010 (net of taxes and bad debt reserve of $933,602). Income from discontinued operations is comprised solely of income from DDC contingency payments, which is classified as cash provided by discontinued investing activities. We received Quarterly Revenue Share Payments and Annual Increase Payments from Digi-Data Corporation, which were payable pursuant to the terms of an agreement under which we sold certain assets to DDC in 2006. Revenue earned from DDC was $247,860 for the year ended December 31, 2011. We received $490,000 in cash payments from DDC which was offset by a decrease in accounts receivable included in Assets from Discontinued Operations. Of the $1,930,905 revenue earned from DDC in the year ended December 31, 2010 we received $1,549,437 in cash payments from DDC of which $414,851 was for the fourth quarter 2009 Contingency Payment (paid in February 2010), $472,384 was for the first quarter 2010 Contingency Payment (paid in May 2010), $362,202 was for the March 2009- February 2010 Annual Increase Contingency Payment (paid in June and July 2010), $300,000 was for the second quarter 2010 Contingency Payment (paid in September, October, November and December 2010), Additionally $381,468 was offset by an increase in the accounts receivable included in Assets from Discontinued Operations Also included in discontinued investing activities is cash provided by DDC contingency payment escrow of $150,985 for the year ended December 31, 2010 resulting in net cash provided by discontinued investing activities of $1,700,422 and $400,290for the years ended December 31, 2010.and 2011, respectively. The Digi-Data agreement ended on February 28, 2011.

In addition to the DDC Contingency Payments, we receive revenue from the operation of our Gotham subsidiary, which operates the business we acquired from Jekyll Island Ventures, Inc. in 2009. We anticipate that Gotham's business and revenues will continue to grow throughout 2012. Gotham is currently cash neutral. Gotham generated revenues of $1,623,654 and net income of $44,998 in 2011 compared to revenues of $850,222 and a net loss of $(375,073) in 2010

Cash provided by continuing and discontinued investing activities was $418,387 for the year ending December 31, 2011 compared to $1,222,734, for the year ended December 31, 2010. Cash provided by continuing investing activities was $18,097 for the year ending December 31, 2011 compared to cash used by continuing investing activities of $477,688 for the year ended December 31, 2010. Cash provided by discontinued investing activities was $400,290 and $1,700,422 for the years ending December 31, 2011 and 2010, respectively. The entire source of cash provided by discontinued investing activities is the DDC contingency payments and the cash provided by continuing investing activities is cash flows from repayments of notes receivable.

Cash provided by financing activities was $0 for the year ended December 31, 2011 compared to cash provided by financing activities of $22,886 for the year ended December 31, 2010. The cash provided by financing activities in the year ended December 31, 2010 was primarily from loans received from a related party.

Supplemental Cash Flow Activity

In the year ended December 31, 2011 the company paid income taxes of $6,399 compared to $389,357 for the year ended December 31, 2010. The decrease in taxes was due to the net loss in 2011 and tax overpayments in 2010. The company also paid interest of $2,375 during the year ended December 31, 2011 compared to interest of $1,767 during the year ended December 31, 2010.

OFF BALANCE SHEET ARRANGEMENTS

We have no off balance-sheet arrangements.

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

Not Required.

ITEM 8. ***FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA***

The Financial Statements required by this Item 8 are included in this Report beginning on page F-1, as follows:

Report of Independent Registered Public Accounting Firm	F-1
Consolidated Balance Sheet as of December 31, 2011 and 2010	F-2
Consolidated Statement of Income for the years ended December 31, 2011 and 2010	F-3
Consolidated Statement of Changes in Stockholder's Equity for the years ended December 31, 2011 and 2010	F-4
Consolidated Statement of Cash Flows for the years ended December 31, 2011 and 2010	F-5
Notes to Financial Statements	F-7

ITEM 9. ***CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE***

None.

ITEM 9A. *CONTROLS AND PROCEDURES*

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

We carried out an evaluation, as required by paragraph (b) of Rule 13a-15 and 15d-15 of the Exchange Act under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act as of December 31, 2011. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2011

Management's Annual Report on Internal Control over Financial Reporting.

We are responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) and Rule 15d-15(f) promulgated under the Exchange Act as a process designed by, or under the supervision of, our Chief Executive Officer (our principal executive officer) and Chief Financial Officer (our principal accounting and financial officer), and effected by our board of directors, management and other personnel, 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 our 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 financial statements.

Our internal control system was designed to provide reasonable assurance to our management and board of directors regarding the preparation and fair presentation of published financial statements. Because of its 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.

Our management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2011. In making this assessment, management used the criteria set forth in the Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on management's assessment, we concluded that, as of December 31, 2011, our internal control over financial reporting was effective.

Change in Internal Controls

During the quarter ended December 31, 2011, there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. *OTHER INFORMATION*

None.

PART III

ITEM 10. *DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE*

DIRECTORS AND EXECUTIVE OFFICERS

Our board of directors manages our business and affairs. Under our Articles of Incorporation and Bylaws, the Board will consist of not less than one, nor more than seven directors. Currently, our Board consists of five directors.

The names, ages, positions and dates appointed of our current directors and executive officers are set forth below.

Name	Age	Position	Appointed
John Salerno	73	Chief Executive Officer, President, Chairman of the Board, and Director	March 2009 (appointed Chairman and Director in April 2000)
Elisa Luqman	47	Chief Financial Officer, Executive Vice President, General Counsel, and Director	March 2009 (appointed Director in August 2009)
James J. Charles	69	Director	March 2006
George G. Dempster	72	Director	January 2001
John Waters	66	Director	August 2009

John Salerno, Chief Executive Officer, President, Chairman of the Board, and Director. Mr. Salerno is a seasoned hands-on executive with over 40 years of experience with public and private computer software and service companies. Mr. Salerno built a multi-million dollar business from a start up, servicing the real estate industry. The business was sold in 1984 and Mr. Salerno provided consulting services to a wide range of clients through 1995. In 1996, along with his daughter and a small group of private accredited investors, he co-founded the Company. Mr. Salerno was President and CEO of the Company from April 1, 2000 until February 28, 2006. After signing contracts with Verizon and Cablevision, the Company sold its assets in 2006 to Digi-Data Corporation. From March 1, 2006 thru February 2009 Mr. Salerno served as President of the Vault Services Division of Digi-Data Corporation. Upon the expiration of his 3 year contract the Vault Services Division was at a revenue run rate of $12 million annually. As of March 1, 2009, Mr. Salerno returned to his full time management roll at the Company. Mr. Salerno is an ex — US Marine Corps, Crypto/ Communications Officer and has a BS in Mathematics from Fordham University. Mr. Salerno is Elisa Luqman's father.

Mr. Salerno was nominated as a Director because if his intimate knowledge of the Company and its history as a founder. Additionally, Mr. Salerno's mathematical and technical background as a data center manager early in his professional career and later as a software developer offers the board hand's on technical experience in both operations and software analysis. Mr. Salerno utilized his experience and contacts to secure the major customers driving the sales that generate the Company's payment stream from DDC. Moreover, Mr. Salerno adds value to Gotham through his 40 plus years serving the New York Real Estate industry. He is thoroughly familiar with the unique workings of the New York real estate industry and has many contacts within that community that are a benefit to Gotham.

Elisa Luqman, Chief Financial Officer, Executive Vice President, General Counsel, and Director. Ms. Luqman is a computer literate attorney with over 18 years experience with intellectual property and computer software. Prior to co-founding the Company, Ms. Luqman was president of University Software Corp., a software development company focused on a wide range of student educational and intellectual applications. Ms. Luqman was Chief Operating Officer of the Company, from April 1, 2000 until February 28, 2006. From March 1, 2006 through February 28, 2009 Ms. Luqman was employed as Chief Operating Officer of the Vault Services Division of Digi-Data Corporation, the company that acquired the Company's assets in 2006, and subsequently during her tenure with Digi-Data Corporation she became the in-house general counsel for the entire corporation. In that capacity she was responsible for acquisitions, mergers, patents, and employee contracts, and worked very closely with Digi-Data's outside counsel firms, DLA-Piper, the Law Offices of Sandra T. Carr and the patent firm of Jordan and Hamburg. As of March 1, 2009, Ms. Luqman rejoined the Company in her current capacities. Ms Luqman received a BA degree in Marketing, a JD in Law, and a MBA Degree in Finance from Hofstra University. Ms. Luqman is a member of the bar in New York and New Jersey. Ms. Luqman is John Salerno's daughter.

Ms. Luqman was nominated as a Director because of her intimate knowledge of the Company and its history as a founder. Additionally, as an attorney, Ms. Luqman's legal background enables her to provide counsel to the Company. Her experience as general counsel to the Company provides her with a unique insight into the Company's contracts with customers and vendors, intellectual property assets and issues, financing transactions and shareholder transactions. Moreover, having been through the merger and acquisition process on both sides of the table, Ms. Luqman offers the Company in-house guidance throughout the acquisition process. That combined with Ms. Luqman's MBA in Finance aids in providing the Board with more efficient analysis of input from outside auditors and legal advisors.

James J. Charles, Director. Mr. Charles is a high profile financial executive with a broad base of experience with firms ranging in size from $24MM to $180MM in annual revenue. He worked closely with management and Boards of Directors on matters ranging from mergers and acquisitions to stock restructurings and spin-offs. Mr. Charles has been a self employed Certified Public Accountant from 1999 to present. From 1994 to 1999 Mr. Charles was the chief financial officer of Interpharm Holdings, Inc. Interpharm Holdings, Inc., through its subsidiary, Interpharm, Inc., engages in the development, manufacture, and marketing of generic prescription strength and over-the-counter pharmaceuticals in the United States. It also focuses on the development of products in the areas of female hormone, scheduled narcotic, soft gelatin capsule, oral liquid, products coming off patent, and other products. From 1966 to 1994 Mr. Charles was a Senior Managing Partner with Ernst & Young. Mr. Charles' education includes studies and management programs at Harvard University and Williams College. Mr. Charles received his BBA in Accounting at Manhattan College.

Mr. Charles was nominated as a Director because of his financial expertise. He has been involved in the practice of public accounting for over forty years. During his tenure as a Senior Managing Partner at Ernst & Young he spent considerable years analyzing potential acquisition targets for corporate clients and has particular experience and skills on matter such as mergers and acquisitions, stock restructuring and spin-offs. He has also been a Chief Financial Officer of a public company.

George G. Dempster, Director. Mr. Dempster was Commissioner of Commerce for the State of New York from 1979 to 1983. He served as the Chairman of the Finance Committee for Hofstra University for 25 years from 1976 through 2001, and is currently Chairman Emeritus of the Board of Trustees. Mr. Dempster has been the Chairman of Tran-Leisure Corp. since 1983, and was its CEO from 1983-2002. Tran -Leisure Corp is a diversified holding company with interests ranging from helicopter services to manufacturing. From 1969 to 1973 Mr. Dempster served as the CEO of Cybernetics, a major computer software developer. Mr. Dempster served as a marketing manager for IBM from 1961 to 1968. Mr. Dempster has a BA in business administration from Hofstra University.

Mr. Dempster was nominated as a Director because of his strong administrative, financial and economic background. Having served as Commissioner of Commerce for the State of New York for 4 years and on the Board of Hofstra University for over 25 years, Mr. Dempster provides the Company with extensive experience in commerce and administration in both the private and public sectors. Moreover, during his tenure at Hofstra University Mr. Dempster was intimately involved in several financing transactions to maintain the University in a solvent and profitable manner. Additionally, having been CEO of a diversified holding company, Mr. Dempster is thoroughly familiar with the merger and acquisition process. He offers years of experience analyzing business, their models and economics, and identifying the appropriate financing vehicles.

John Waters, Director. Mr. Waters was a Senior Partner at Arthur Andersen from 1967 to 2001, with exceptional leadership skills in mergers and acquisitions (particularly reverse mergers) and 1933 Act fillings with the Securities and Exchange Commission. Mr. Waters was involved in raising over $60 million for a special purpose acquisition company (SPAC) Avantair Inc., and was that company's

Chief Financial Officer from February 2006 to April 2008. Mr. Waters serves on the audit committee and on the board of Authentidate Holding Corp. (ADAT) since July 2004. ADAT is a worldwide provider of solutions that enhance the secure exchange of health information and related administrative and clinical workflows. In the United States ADAT offers its patent pending content authentication technology in the form of the United States Postal Service® Electronic Postmark® (EPM).He was previously the Chief Administrative Officer of that company from July 2004 to December 31, 2005. Mr. Waters has been a self employed Consultant from December 31, 2005 to present. He also serves on the board of two privately held companies. My Waters is a Certified Public Accountant and has a BBA degree from Iona College.

Mr. Waters was nominated as a Director because of his financial expertise. He was involved in the practice of public accounting for thirty-four years. During his tenure as a Senior Partner at Arthur Andersen he spent considerable years analyzing potential acquisition targets for corporate clients. He has also been a Chief Financial Officer of a public company, and has served as a Director of another public company for over six years and presently serves on the audit committee of that company.

COMMITTEES OF THE BOARD

The Board has established an Audit Committee and a Compensation Committee. The Board does not currently have a Nominating Committee. The work typically conducted by a Nominating Committee is conducted by the full Board.

Audit Committee

The Audit Committee presently consists of Messrs. Charles, Waters, and Dempster, with Mr. Charles serving as chairman. Our Board has determined that Mr. Charles qualifies as an "audit committee financial expert" as defined under the federal securities laws. The Audit Committee is responsible for monitoring and reviewing our financial statements and internal controls over financial reporting. In addition, they recommend the selection of the independent auditors and consult with management and our independent auditors prior to the presentation of financial statements to stockholders and the filing of our forms 10-Q and 10-K. The Audit Committee has adopted a charter and it is posted on our web site at www.igambit.com.

Compensation Committee

The Compensation Committee presently consists of Messrs. Charles, Waters, and Dempster, with Mr. Waters serving as chairman. The Compensation Committee is responsible for reviewing and recommending to the Board the compensation and over-all benefits of our executive officers, including administering the Company's 2006 Long Term Incentive Plan. The Compensation Committee may, but is not required to, consult with outside compensation consultants. The Compensation Committee has adopted a charter and the charter is posted on our web site at www.igambit.com.

COMPLIANCE WITH SECTION 16(A) OF THE EXCHANGE ACT.

Based solely upon a review of Forms 3 and 4 and amendments thereto furnished to the Company under Rule 16a-3(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") the Company is not aware of any person that failed to file on a timely basis, as disclosed in the aforementioned Forms, reports required by Section 16(a) of the Exchange Act during the year ended December 31, 2011.

CODE OF ETHICS

The Company has adopted a Code of Ethics that applies to its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A copy of the Code of Ethics is attached as an exhibit to this report. A copy of the Code of Ethics is available on the Company's website at www.igambit.com. Any amendments to, or waivers from, the Code of Ethics will be disclosed on the Company's website at www.igambit.com.

ITEM 11. ***EXECUTIVE COMPENSATION***

Summary Compensation Table

Effective September 1, 2009 Mr. Salerno and Ms. Luqman became full time employees of the Company with annual salaries of $225,000 and $200,000 respectively. Prior to September 1, 2009 Mr. Salerno and Ms. Luqman were employees of Digi-Data Corp.

During 2006 and 2007, Mr. Salerno exercised options to acquire 1,800,000 common shares of the Company and during 2007 Ms. Luqman exercised options to acquire 1,500,000 common shares of the Company.

Prior to December 31, 2006, the Company was indebted to officers, John Salerno and Elisa Luqman for unpaid compensation accrued totaling $350,000. John Salerno received advances against the deferred compensation in the amounts of $74,281.25 and $44,000 as of December 31, 2007, and December 31, 2008, respectively. Elisa Luqman received advances against the deferred compensation in the amounts of $5,000 and $75,000 as of December 31, 2007, and December 31, 2008, respectively. The advances against deferred compensation totaling $79,281 and $198,281 as of December 31, 2007, and December 31, 2008, respectively were in the form of a note payable to the Company and were collateralized with the officers common shares issued and outstanding of 5,470,000 shares each. During the nine months ended September 30, 2009, the Company paid the total amount of unpaid compensation accrued to the officers, who subsequently repaid the advances received.

The following table sets forth the compensation received by our executive officers, for their service, during the year ended December 31, 2011.

Current Officers Name & Principal Position	Year	Salary ($)	Bonus ($)	Stock ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
John Salerno	2011	225,000	0	0	0	0	0	10,087(1)	235,087
CEO, President	2010	225,000	25,000	0	0	0	0	9,835(2)	259,835
Chairman & Director,	2009	77,885 (3)	0	0	0	0	0	8,739(4)	86,624
Elisa Luqman	2011	200,000	0	0	0	0	0	26,887 (5)	
CFO, EVP, General	2010	200,000	25,000	0	0	0	0	11,068(6)	211,068
Counsel, & Director	2009	69,2317)	0	0	0	0	0	0	69,231

(1) Includes $6,018 in health insurance premiums and $4,069 in life insurance premiums.
(2) Includes $5,766 in health insurance premiums and $4,069 in life insurance premiums.
(3) Does not include $200,000 in deferred compensation that was earned prior to December 31, 2006, and paid during 2009.

(4) Includes $5,766 in health insurance premiums and $4,069 in life insurance premiums.
(5) Includes $26,887 in health and dental insurance premiums.
(6) Includes $11,068 in health and dental insurance premiums.
(7) Does not include $150,000 in deferred compensation that was earned prior to December 31, 2006, and paid during 2009.

Employment Arrangements with Named Executive Officers

The Company does not currently have any employment agreements with it executive officers.

Compensation of the Board of Directors

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END									
OPTION AWARDS						STOCK AWARDS			
Name (a)	Number of Securities Underlying Unexercised Options (#) Exercisable (b)	Number of Securities Underlying Unexercised Options (#) Unexercisable (c)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#) (d)	Option Exercise Price ($) (e)	Option Expiration Date (f)	Number of Shares or Units of Stock That Have Not Vested (#) (g)	Market Value of Shares or Units of Stock That Have Not Vested ($) (h)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) (i)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (#) (j)
James Charles	59,000	0	0	$0.10	7/21/2020	0	0	0	0
James Charles	100,000	0	0	$0.10	7/11/2021	0	0	0	0
John Waters	500,000	0	0	$0.10	7/21/2020	0	0	0	0
John Waters	100,000	0	0	$0.10	7/11/2021	0	0	0	0
George Dempster	113,000	0	0	$0.10	7/21/2020	0	0	0	0
George Dempster	100,000	0	0	$0.10	7/11/2021	0	0	0	0

The following table sets forth the compensation received by our directors, for their service as directors, during the year ended December 31, 2011.

Name	Fees earned or paid in cash ($)	Stock awards ($)	Option awards ($)	Non-equity incentive plan compensation ($)	Nonqualified deferred compensation earnings ($)	All other compensation ($)	Total ($)
John Salerno (1)	-	-	-	-	-	-	0
Elisa Luqman (1)	-	-	-	-	-	-	0
James J. Charles	$4,000	-	**100,000**	-	-	-	$4,000
George G. Dempster	$4,000	-	**100,000**	-	-	-	$4,000
John Waters	$4,000	-	**100,000**	-	-	-	$4,000

(1) These individuals serve as executive officers of the Company, and do not receive any compensation for the services they provide as directors of the Company.

Members of our Board receive $1,000 per quarter for their service to the Company.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information known to us, as of March 31, 2011, relating to the beneficial ownership of shares of common stock by: (i) each person who is known by us to be the beneficial owner of more than 5% of the Company's outstanding common stock; (ii) each director; (iii) each executive officer; and (iv) all executive officers and directors as a group. Under securities laws, a person is considered to be the beneficial owner of securities owned by him (or certain persons whose ownership is attributed to him) or securities that can be acquired by him within 60 days, including upon the exercise of options, warrants or convertible securities. The Company determines a beneficial owner's percentage ownership by assuming that options, warrants and convertible securities that are held by the beneficial owner and which are exercisable within 60 days, have been exercised or converted. The Company believes that all persons named in the table have sole voting and investment power with respect to all shares of common stock shown as being owned by them. Unless otherwise indicated, the address of each beneficial owner in the table set forth below is care of iGambit, Inc., 1050 W. Jericho Turnpike, New York,, 11787. The percentages in the following table are based upon 23,954,056 shares outstanding as of March 31, 2011.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
John Salerno, C.E.O., President, Chairman of the Board, and Director	5,616,900(1)	23.3%
Elisa Luqman, C.F.O., Executive Vice President, General Counsel and Director	5,715,000(2)	23.9%
James J. Charles, Director	600,000(3)	2.5%
George G. Dempster, Director	605,000(4)	2.5%
John Waters, Director	600,000(5)	2.5
Mehul Mehta	2,450,000	10.2%
Executive Officers and Directors as a Group:	13,136,900 (6)	54.8%

1. Includes: options to purchase 46,900 shares of common stock at $0.01 per share held by John L. Salerno, Mr. Salerno's son; and options to purchase 100,000 shares of common stock at $0.01 per share held by Dean T. Salerno, Mr. Salerno's son.
2. Includes 245,000 shares of common stock held by Muhammad Luqman, Ms. Luqman's husband.
3. Includes options to purchase 159,000 shares of the common stock at $0.10 per share.
4. Includes options to purchase 213,000 shares of the common stock at $0.10 per share.
5. Includes options to purchase 600,000 shares of the common stock at $0.10 per share.
6. Includes the disclosures in footnotes 1 through 5 above.

ITEM 13. *CERTAIN RELATIONSHIPS, RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE*

RELATED PARTY TRANSACTIONS

Pursuant to the terms of the agreements governing the sale of our assets to DDC in 2006, we will continue to receive Revenue Share Payments from DDC until 2011. In connection with said asset sale, Mr. Salerno and Ms. Luqman entered into employment agreements with DDC and worked for DDC until those agreements terminated in February 2009. Notwithstanding the termination of said employment agreements, Mr. Salerno is entitled, pursuant to the terms thereof, to receive a share of the net proceeds of any sale or other disposition of all or substantially all of the stock or assets of DDC that occurs on or before February 2011.

BOARD INDEPENDENCE

The Company has elected to use the independence standards of the NYSE AMEX Equities Exchange in its determination of whether the members of its Board are independent. Based on the foregoing, the Company has concluded that Mr. Charles, Mr. Waters, and Mr. Dempster are independent. The Board has established an Audit Committee and a Compensation Committee. The Board does not currently have a Nominating Committee. The work typically conducted by a Nominating Committee is conducted by the full Board.

ITEM 14. *PRINCIPAL ACCOUNTANT FEES AND SERVICES*

The following table shows what Michael F. Albanese, CPA billed for the audit and other services for the years ended December 31, 2011 and December 31, 2010.

	Year Ended 12/31/ 2011	Year Ended 12/31/2010
Audit Fees	$ 35,183	$ 35,030
Audit-Related Fees	---	---
Tax Fees	---	—
All Other Fees	---	—
Total	$ 35,183	$ 35,030

Audit Fees — This category includes the audit of the Company's annual financial statements, review of financial statements included in the Company's Form 10-Q Quarterly Reports and services that are normally provided by the independent auditors in connection with engagements for those years.

Audit-Related Fees — This category includes assurance and related services by the independent auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and that are not reported under the caption "Audit Fees."

Tax Fees — This category includes services rendered by the independent auditor for tax compliance, tax advice, and tax planning.

All Other Fees — This category includes products and services provided by the independent auditor other than the services reported under the captions "Audit Fees," "Audit-Related Fees," and "Tax Fees."

Overview — The Company's Audit Committee, reviews, and in its sole discretion pre-approves, our independent auditors' annual engagement letter including proposed fees and all audit and non-audit services provided by the independent auditors. Accordingly, all services described under "Audit Fees," "Audit-Related Fees," "Tax Fees," and "All Other Fees" were pre-approved by our Company's Audit Committee. The Audit Committee may not engage the independent auditors to perform the non-audit services proscribed by law or regulation. The Company's Audit Committee may delegate pre-approval authority to a member of the Board of Directors, and authority delegated in such manner must be reported at the next scheduled meeting of the Board of Directors.

PART IV

ITEM 15. *EXHIBITS AND FINANCIAL STATEMENT SCHEDULES*

(a) Financial Statements

Report of Independent Registered Public Accounting Firm	F-1
Consolidated Balance Sheet as of December 31, 2011 and 2010	F-2
Consolidated Statement of Income for the years ended December 31, 2011 and 2010	F-3
Consolidated Statement of Changes in Stockholder's Equity for the years ended December 31, 2011 and 2010	F-4

Consolidated Statement of Cash Flows for the years ended December 31, 2011 and 2010	F-5
Notes to Financial Statements	F-7

(b) Exhibits

Exhibit No.	Description
3.1(i)	Certificate of Incorporation, filed with the Delaware Secretary of State on April 13, 2000 (1)
3.1(ii)	Certificate of Merger, filed with the Delaware Secretary of State on April 18, 2000 (1)
3.1(iii)	Certificate of Amendment Changing Name, filed with the Delaware Secretary of State on December 19, 2000 (1)
3.1(iv)	Certificate of Merger filed with the Delaware Secretary of State on February 17, 2006 (1)
3.1(v)	Certificate of Amendment Changing Name filed with the Delaware Secretary of State on April 5, 2006 (1)
3.1(vi)	Certificate of Amendment Increasing Authorized Common Stock to 75 Million Shares, filed with the Delaware Secretary of State on December 2, 2009 (1)
3.2	Bylaws (1)
4.1	Form of Stock Certificate (2)
4.2	Common Stock Purchase Warrant issued to Douglas Aquilila (6)
4.3	Common Stock Purchase Warrant issued to Roetzel & Andress (3)
10.1	iGambit, Inc. 2006 Long Term Incentive Plan, Amended 12/31/2006 (1)
10.2	Douglas Aquillilla Consulting Agreement (6)
10.3	Employment Agreement between Digi-Data Corporation and Mr. Salerno (2)
10.4	Employment Agreement between Digi-Data Corporation and Mrs. Luqman (2)
14	Code of Ethics (5)
21	Subsidiaries (1)
31.1	Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of the Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (This exhibit shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended or otherwise subject to the liability of that section. Further, this exhibit shall not be deemed incorporated by reference into any other filing under the Security Act of 1933, as amended, or by the Security Exchange Act of 1934, as amended.)
32.2	Certification of the Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (This exhibit shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934 as amended or otherwise subject to the liability of that section. Further, this exhibit shall not be deemed incorporated by reference into any other filing under the Security Act of 1933, as amended, or by the Security Exchange Act of 1934, as amended.)

(1) Incorporated by reference to Form 10 filed on December 31, 2009.
(2) Incorporated by reference to Amendment No. 1 to Form 10 filed on June 11, 2010.
(3) Filed with initial Form 10-K on June 15, 2010.
(4) We hereby agree to furnish the SEC with any omitted schedule or exhibit upon request.
(5) Filed with Form 10-K/A (Amendment No. 1) on September 13, 2010.
(6) Filed with Form 10-K on March 31, 2011.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Hauppauge, New York, on March 30, 2012.

iGAMBIT, INC.

March 30, 2012

By: /s/ John Salerno
John Salerno, Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Annual Report on Form 10-K has been signed by the following persons in the capacities indicated:

Signature	Title	Date
/s/ John Salerno John Salerno	Chief Executive Officer and Director	March 30, 2012
/s/ Elisa Luqman Elisa Luqman	Chief Financial Officer, Executive Vice President, General Counsel, Principal Accounting Officer and Director	March 30, 2012
/s/ James J. Charles James J. Charles	Director	March 30, 2012
/s/ George G. Dempster George G. Dempster	Director	March 30, 2012
/s/ John Waters John Waters	Director	March 30, 2012

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANT

To the Board of Directors and Shareholders of:
iGambit Inc.

I have audited the accompanying Consolidated Balance Sheets of iGambit Inc. and subsidiaries (the "Company") as of December 31, 2011 and 2010, and the related Consolidated Statements of Operations, Shareholders' Equity, and Cash Flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these consolidated financial statements based on my audits.

I conducted my audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. 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 financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, such Consolidated Financial Statements present fairly, in all material respects, the financial position of the Company as of December 31, 2011 and 2010, and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. My audits 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 Company's internal control over financial reporting. Accordingly, I express no such opinion.

/s/ Michael F. Albanese

Michael F. Albanese, CPA
Parsippany, NJ

March 28, 2012

IGAMBIT INC.
CONSOLIDATED BALANCE SHEETS
DECEMBER 31,

	2011	2010
ASSETS		
Current assets		
Cash	$ 224,800	$ 465,549
Accounts receivable	269,353	124,651
Prepaid expenses	58,649	326,245
Notes receivable	434,512	472,000
Notes receivable - stockholder	17,000	17,000
Deferred income taxes	184,185	--
Assets from discontinued operations	570,590	812,730
Total current assets	1,759,089	2,218,175
Property and equipment, net	18,563	5,087
Other assets		
Goodwill	111,026	111,026
Deposits	2,500	2,500
Total other assets	113,526	113,526
	$ 1,891,178	$ 2,336,788
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 263,195	$ 326,227
Note payable - related party	25,390	25,390
Total current liabilities	288,585	351,617
Stockholders' equity		
Common stock, $.001 par value; authorized - 75,000,000 shares; issued and outstanding - 23,954,056 shares, respectively	23,954	23,954
Additional paid-in capital	2,403,090	2,402,275
Accumulated deficit	(824,451)	(441,058)
Total stockholders' equity	1,602,593	1,985,171
	$ 1,891,178	$ 2,336,788

IGAMBIT INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 31,

	2011	2010
Sales	$ 1,783,904	$ 874,774
Cost of sales	764,749	391,586
Gross profit	1,019,155	483,188
Operating expenses		
General and administrative expenses	1,863,732	1,829,401
Loss from operations	(844,577)	(1,346,213)
Other income		
Interest income	29,139	8,272
Loss from continuing operations before income tax benefit	(815,438)	(1,337,941)
Income tax benefit	(268,457)	(498,775)
Loss from continuing operations	(546,981)	(839,166)
Income from discontinued operations (net of taxes of $84,272 and $683,602, and reserve for bad debts of $250,000)	163,588	997,303
Net income (loss)	$ (383,393)	$ 158,137
Basic and fully diluted earnings (loss) per common share:		
Continuing operations	$ (.02)	$ (.03)
Discontinued operations, net of tax	$ .00	$ .04
Net earnings per common share	$ (.02)	$ .01
Weighted average common shares outstanding	23,954,056	23,954,056

IGAMBIT INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2011 AND 2010

	Common stock		Additional Paid-in	Accumulated	
	Shares	Amount	Capital	Deficit	Totals
Balances, December 31, 2009 (Restated)	23,954,056	$ 23,954	$ 2,396,443	$ (599,195)	$ 1,821,202
Compensation for vested stock options	--	--	5,832	--	5,832
Net income				158,137	158,137
Balances, December 31, 2010	23,954,056	23,954	2,402,275	(441,058)	1,985,171
Compensation for vested stock options	--	--	815	--	815
Net loss				(383,393)	(383,393)
Balances, December 31, 2011	23,954,056	$ 23,954	$ 2,403,090	$ (824,451)	$ 1,602,593

IGAMBIT INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31,

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ (383,393)	$ 158,137
Adjustments to reconcile net income (loss) to net cash used by operating activities		
Income from discontinued operations	(163,588)	(1,148,553)
Reserve for bad debts from discontinued operations	--	250,000
Depreciation	5,915	1,496
Stock-based compensation expense	815	5,832
Deferred income taxes	(184,185)	--
Increase (Decrease) in cash flows as a result of changes in asset and liability account balances:		
Accounts receivable	(144,702)	(67,908)
Prepaid expenses	267,596	(317,407)
Accounts payable	(63,032)	229,299
Net cash used by continuing operating activities	(664,574)	(889,104)
Net cash provided (used) by discontinued operating activities	5,438	(748,041)
NET CASH USED BY OPERATING ACTIVITIES	(659,136)	(1,637,145)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(19,391)	(5,688)
Increase in notes receivable	--	(472,000)
Repayments of notes receivable	37,488	--
Net cash provided (used) by continuing investing activities	18,097	(477,688)
Net cash provided by discontinued investing activities	400,290	1,700,422
NET CASH PROVIDED BY INVESTING ACTIVITIES	418,387	1,222,734
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of loans from shareholders	--	(2,504)
Increase in loans payable to related party	--	25,390

NET CASH PROVIDED BY FINANCING ACTIVITIES	--	22,886
NET DECREASE IN CASH	(240,749)	(391,525)
CASH - BEGINNING OF YEAR	465,549	857,074
CASH - END OF YEAR	$ 224,800	$ 465,549

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	$ 2,375	$ 1,767
Income taxes	6,399	389,357
Non-cash investing and financing activities:		
Stock-based compensation expense	$ 815	$ 5,832

Note 1 - Organization and Basis of Presentation

The consolidated financial statements presented are those of iGambit Inc., (the "Company") and its wholly-owned subsidiary, Gotham Innovation Lab Inc. ("Gotham"). The Company was incorporated under the laws of the State of Delaware on April 13, 2000. The Company was originally incorporated as Compusations Inc. under the laws of the State of New York on October 2, 1996. The Company changed its name to BigVault.com Inc. upon changing its state of domicile on April 13, 2000. The Company changed its name again to bigVault Storage Technologies Inc. on December 22, 2000 before changing to iGambit Inc. on July 18, 2006. Gotham was incorporated under the laws of the state of New York on September 23, 2009.

Note 2 – Discontinued Operations

Sale of Business

On February 28, 2006, the Company entered into an asset purchase agreement with Digi-Data Corporation ("Digi-Data"), whereby Digi-Data acquired the Company's assets and its online digital vaulting business operations in exchange for $1,500,000, which was deposited into an escrow account for payment of the Company's outstanding liabilities. In addition, as part of the sales agreement, the Company receives payments from Digi-Data based on 10% of the net vaulting revenue payable quarterly over five years. The Company is also entitled to an additional 5% of the increase in net vaulting revenue over the prior year's revenue. These adjustments to the sales price are included in the discontinued operations line of the statements of operations.

The assets of the discontinued operations are presented in the balance sheets under the captions "Assets of discontinued operations". The underlying assets of the discontinued operations consist of accounts receivable of $570,590 and $812,730 as of December 31, 2011 and 2010, respectively.

Accounts Receivable

Accounts receivable includes 50% of contingency payments earned for the previous quarter. Reserve for bad debts of $250,000 was charged to operations for the year ended December 31, 2010. No reserve for bad debts was charged to operations for the year ended December 31, 2011.

Note 3 – Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Gotham Innovation Lab, Inc. All significant intercompany accounts and transactions have been eliminated.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reporting 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 period. Actual results could differ from those estimates.

Fair Value of Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and amounts due to related parties, the carrying amounts approximate fair value due to their short maturities.

Revenue Recognition

Contingency payment income is recognized quarterly from a percentage of Digi-Data's vaulting service revenue, and is included in discontinued operations.

The Company's revenue from continuing operations consists of revenues primarily from sales of products and services rendered to real estate brokers. Revenues are recognized upon delivery of the products or services.

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include checking and money market accounts and any highly liquid debt instruments purchased with a maturity of three months or less.

Accounts Receivable

The Company analyzes the collectability of accounts receivable each accounting period and adjusts its allowance for doubtful accounts accordingly. A considerable amount of judgment is required in assessing the realization of accounts receivables, including the current creditworthiness of each customer, current and historical collection history and the related aging of past due balances. The Company evaluates specific accounts when it becomes aware of information indicating that a customer may not be able to meet its financial obligations due to deterioration of its financial condition, lower credit ratings, bankruptcy or other factors affecting the ability to render payment. There was no bad debt expense charged to operations for the years ended December 31, 2011 and 2010, respectively.

Prepaid Expenses

Prepaid expenses consist of the following:

	December 31, 2011	December 31, 2010
Prepaid federal income taxes	$ --	$ 249,558
Prepaid state income taxes	31,758	72,264
Prepaid insurance	26,891	4,423
	$ 58,649	$ 326,245

Property and equipment and depreciation

Property and equipment are stated at cost. Depreciation for both financial reporting and income tax purposes is computed using combinations of the straight line and accelerated methods over the estimated lives of the respective assets. During the year ended December 31, 2011, the Company purchased computer equipment totaling $19,391. Computer equipment is depreciated over 5 years. Maintenance and repairs are charged to expense when incurred. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts and any gain or loss is credited or charged to income.

Depreciation expense of $5,915 and $1,496 was charged to operations for the years ended December 31, 2011 and 2010, respectively.

<u>Goodwill</u>

Goodwill represents the fair market value of the common shares issued and common stock options granted by the Company for the acquisition of Jekyll by the Company's subsidiary, Gotham. In accordance with ASC Topic No. 350 "Intangibles – Goodwill and Other"), the goodwill is not being amortized, but instead will be subject to an annual assessment of impairment by applying a fair-value based test, and will be reviewed more frequently if current events and circumstances indicate a possible impairment. An impairment loss is charged to expense in the period identified. If indicators of impairment are present and future cash flows are not expected to be sufficient to recover the asset's carrying amount, an impairment loss is charged to expense in the period identified. A lack of projected future operating results from Gotham's operations may cause impairment. At December 31, 2011, the Company performed an impairment study and determined that there is no indication that present and future cash flows are not expected to be sufficient to recover the carrying amount of goodwill. Based on the Company's evaluation of goodwill, no impairment was recorded during the year ended December 31, 2011.

<u>Stock-Based Compensation</u>

The Company accounts for its stock-based employee compensation plan in accordance with ASC Topic No. 718-20, *Awards Classified as Equity,* which requires the measurement of compensation expense for all share-based compensation granted to employees and non-employee directors at fair value on the date of grant and recognition of compensation expense over the related service period for awards expected to vest. The Company uses the Black-Scholes option valuation model to estimate the fair value of its stock options and warrants. The Black-Scholes option valuation model requires the input of highly subjective assumptions including the expected stock price volatility of the Company's common stock. Changes in these subjective input assumptions can materially affect the fair value estimate of the Company's stock options and warrants.

<u>Income Taxes</u>

The Company accounts for income taxes using the asset and liability method in accordance with ASC Topic No. 740, *Income Taxes*. Under this method, deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities, and are measured using the enacted tax rates and laws that are expected to be in effect when the differences are expected to reverse.

The Company applies the provisions of ASC Topic No. 740 for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in the Company's financial statements. In accordance with this provision, tax positions must meet a more-likely-than-not recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position.

Note 4 – Notes Receivable

In connection with a letter of intent the Company entered into with Allied Airbus, Inc. ("Allied") on July 20, 2010 to which both parties were unable to reach a mutually acceptable definitive agreement, the Company provided various loans to Allied totaling $434,512 at December 31, 2011, for which promissory notes were issued. The notes are personally guaranteed by the officers of Allied, bear interest at a rate of 6% and are due in one year. As of December 31, 2011, $340,512 of the notes became past due. On November 1, 2011, the Company commenced litigation against Allied for nonpayment of the note principal balances and interest, as discussed in Note 14.

Accrued interest on the notes was $26,873 for the year ended December 31, 2011.

Note 5 - Earnings Per Common Share

The Company calculates net earnings (loss) per common share in accordance with ASC 260 "*Earnings Per Share*" ("ASC 260"). Basic and diluted net earnings (loss) per common share was determined by dividing net earnings (loss) applicable to common stockholders by the weighted average number of common shares outstanding during the period. The Company's potentially dilutive shares, which include outstanding common stock options and common stock warrants, have not been included in the computation of diluted net earnings (loss) per share for all periods as the result would be anti-dilutive.

	Years Ended December 31, 2011	2010
Stock options	2,768,900	2,468,900
Common stock warrants	275,000	3,085,000
Total shares excluded from calculation	3,043,900	5,553,900

Note 6 – Stock Based Compensation

Stock-based compensation expense for all stock-based award programs, including grants of stock options and warrants, is recorded in accordance with "*Compensation—Stock Compensation*", Topic 718 of the FASB ASC. Stock-based compensation expense, which is calculated net of estimated forfeitures, is computed using the grant date fair-value method on a straight-line basis over the requisite service period for all stock awards that vest during the period. The grant date fair value for stock options is calculated using the Black-Scholes option valuation model. Determining the fair value of options at the grant date requires judgment, including estimating the expected term that stock options will be outstanding prior to exercise, the associated volatility and the expected dividends. Stock-based compensation expense is reported under general and administrative expenses on the accompanying consolidated statements of operations.

In 2006, the Company adopted the 2006 Long-Term Incentive Plan (the "2006 Plan"). Awards granted under the 2006 plan have a ten-year term and may be incentive stock options, non-qualified stock options or warrants. The awards are granted at an exercise price equal to the fair market value on the date of grant and generally vest over a three or four year period. Effective January 1, 2006, the Company recognized compensation expense ratably over the vesting period, net of estimated forfeitures. As of December 31, 2011, there was no unrecognized compensation cost related to non-vested share-based compensation arrangements granted under the 2006 plan.

The 2006 Plan provides for the granting of options to purchase up to 10,000,000 shares of common stock. 8,822,000 options have been issued or exercised to date. There are 8,617,520 options outstanding under the 2006 Plan.

Warrant activity during the year ended December 31, 2011 follows:

	Warrants	Average Exercise Price	Weighted Average Grant-Date Fair Value	Weighted Average Remaining Contractual Life (Years)
Warrants outstanding at January 1, 2011	3,085,000	$ 0.83	$ 0.10	
Cancelled during 2011	(2,000,000)	0.78	--	
Expired during 2011	(810,000)	0.93	--	
Warrants outstanding at December 31, 2011	275,000	$ 0.94	$ 0.10	1.06

Stock Option Plan activity during the year ended December 31, 2011 follows:

	Options	Average Exercise Price	Weighted Average Grant-Date Fair Value	Weighted Average Remaining Contractual Life (Years)
Options outstanding at January 1, 2011	2,468,900	$ 0.03	$ 0.10	
Granted during 2011	300,000	0.10	0.10	
Options outstanding at December 31, 2011	2,768,900	$ 0.04	$ 0.10	6.85

The fair value of warrants and options granted is estimated on the date of grant based on the weighted-average assumptions in the table below. The assumption for the expected life is based on evaluations of historical and expected exercise behavior. The risk-free interest rate is based on the U.S. Treasury rates at the date of grant with maturity dates approximately equal to the expected life at the grant date. The calculated value method using the historical volatility of the Computer Services industry is used as the basis for the volatility assumption.

	Year ended December 31, 2011	2010
Weighted average risk-free rate	0.64%	1.89%
Average expected life in years	5.0	4.8
Expected dividends	None	None
Volatility	44%	36%
Forfeiture rate	0%	0%

Note 7 – Common Stock Issued

During the year ended December 31, 2009, the Company issued 500,000 common shares in exchange for the asset acquisition of Jekyll Island Ventures Inc. by its wholly-owned subsidiary, Gotham Innovation Labs Inc. Also, during the year ended December 31, 2009, options were exercised for 735,000 shares of common stock, valued at $.01 per share.

On December 2, 2009, the Company amended its certificate of incorporation to increase the number of authorized common shares to 75,000,000. Dividends may be paid on outstanding shares as declared by the Board of Directors from time to time. Each share of common stock is entitled to one vote.

Note 8 - Income Taxes

The tax provision at December 31 consists of the following:

	2011	2010
From operations:		
Continuing operations:		
Current tax expense (benefit):		
Federal	$ (268,457)	$ (454,900)
State and local	--	(200,476)
	(268,457)	(655,376)
Deferred tax expense (benefit)	--	--
Total from continuing operations	(268,457)	(655,376)
Discontinued operations:		
Current tax expense (benefit)		
Federal	84,272	560,468
State and local	--	247,265
	84,272	807,733
Deferred tax expense (benefit):		
Federal	--	--
State and local	--	--
	--	--
Total from discontinued operations	84,272	807,733
Total	$ (184,185)	$152,357

A reconciliation of the statutory federal income tax rate and the effective tax rate follows:

	Years Ended December 31, 2011	2010
Statutory tax rate	34.0%	34.0%
Effect of:		
State income taxes, net of federal income tax benefit	0.0%	19.8%
Tax effect of expenses that are not deductible for income tax purposes	(1.5)%	(4.8)%
Effective tax rate	32.5%	49.0%

The Company recognizes deferred tax assets and liabilities based on the future tax consequences of events that have been included in the financial statements or tax returns. The differences relate primarily to net operating loss carryovers. Deferred tax assets and liabilities are calculated based on the difference between the financial reporting and tax bases of assets and liabilities using the currently enacted tax rates in effect during the years in which the differences are expected to reverse. Deferred taxes are classified as current or non-current, depending on the classification of the assets and liabilities to which they relate.

The Company's provision for income taxes differs from applying the statutory U.S. federal income tax rate to income before income taxes. The primary differences result from providing for state income taxes and from deducting certain expenses for financial statement purposes but not for federal income tax purposes.

In accordance with ASC Topic No. 740, *Income Taxes*, a valuation allowance is established based on the future recoverability of deferred tax assets. This assessment is based upon consideration of available positive and negative evidence, which includes, among other things, the Company's most recent results of operations and expected future profitability. Management has determined that no valuation allowance related to deferred tax assets is necessary at December 31, 2011 and 2010.

Note 9 - Retirement Plan

Gotham has adopted the Gotham Innovation Lab, Inc. SIMPLE IRA Plan, which covers substantially all employees. Participating employees may elect to contribute, on a tax-deferred basis, a portion of their compensation in accordance with Section 408 (a) of the Internal Revenue Code. The Company matches up to 3% of employee contributions. The Company's contributions to the plan for the years ended December 31, 2011 and 2010 were $12,262 and $13,475, respectively.

Note 10 – Significant Customers

Sales of Gotham to two customers amounted to approximately 55% of Gotham's total sales for the year ended December 31, 2011 at 31%, and 24%, respectively.

Note 11 – Risks and Uncertainties

Uninsured Cash Balances

Substantially all amounts of cash accounts held at financial institutions are insured by the FDIC.

Note 12 - Related Party Transactions

Notes Receivable - Stockholders

The Company provided loans to a stockholder totaling $17,000 at December 31, 2011 and December 31, 2010. The loans bear interest at a rate of 6% and are due on December 31, 2012.

Accrued interest on the note was $1,020 for both the years ended December 31, 2011 and 2010, respectively.

Note Payable – Related Party

Gotham was provided loans from an entity that is controlled by the officers of Gotham totaling $25,390 at December 31, 2011 and 2010. The note bears interest at a rate of 5.5% and is due on December 31, 2012.

Interest expense of $708 and $763 was charged to operations for the years ended December 31, 2011 and 2010, respectively.

Lease Commitment

iGambit Inc. entered into an operating lease for office space for a term of 12 months effective June 1, 2011. Monthly rent under the lease is $2,600. On February 1, 2012, the Company entered into a 5 year lease for new executive office space in Smithtown, New York commencing on March 1, 2012.

Gotham has an operating lease for office space renewable annually on October 16 at a monthly rent of $5,500.

Total future minimum annual lease payments under the lease for the years ending December 31 are as follows:

2012	$ 18,000
2013	18,360
2014	18,720
2015	19,080
2016	19,440
	$ 93,600

Rent expense of $90,912 and $97,200 was charged to operations for the years ended December 31, 2011 and 2010, respectively.

Note 13 – Commitments and Contingencies

The Company provides accruals for all direct costs associated with the estimated resolution of contingencies at the earliest date at which it is deemed probable that a liability has been incurred and the amount of such liability can be reasonably estimated.

Note 14 - Litigation

On November 1, 2011, the Company commenced collection proceedings against Allied Airbus, Inc. ("Allied") for nonpayment of various promissory notes totaling $340,512 at December 31, 2011 in connection with a letter of intent the Company entered into to acquire the assets and business of Allied, to which a definitive agreement could not be reached. The claim against Allied includes accrued interest at the rate of 6%. The Company provided loans to Allied between July 2010 and March 2011 totaling $541,000, of which $106,488 has been repaid. The remaining balance of $94,000 will be in default in March 2012, prior to the date of the report, and will be added to the claim at such time.

Note 15 – Recent Accounting Pronouncements

In May 2011, the FASB issued Accounting Standards Update No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs* ("ASU 2011-04"), which is intended to result in convergence between U.S. GAAP and International Financial Reporting Standards requirements for measurement of, and disclosures about, fair value. ASU 2011-04 clarifies or changes certain fair value measurement principles and enhances the disclosure requirements particularly for Level 3 fair value measurements. This pronouncement is effective for reporting periods beginning after December 15, 2011, with early adoption prohibited for public companies. The new guidance will require prospective application. The Company will adopt this pronouncement in the first quarter of 2012 and does not expect its adoption to have a material effect on its financial position or results of operations.

In December 2010, the FASB issued authoritative guidance regarding when to perform step 2 of the goodwill impairment test for reporting units with zero or negative carrying amounts. The guidance modifies Step 1 of the goodwill impairment test so that for those reporting units with zero or negative carrying amounts, an entity is required to perform Step 2 of the goodwill impairment test if it is more likely than not based on an assessment of qualitative indicators that a goodwill impairment exists. In determining whether it is more likely than not that goodwill impairment exists, an entity should consider whether there are any adverse qualitative factors indicating that an impairment may exist. This guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2010. The Company adopted this standard beginning January 1, 2011, and the adoption did not have a material impact on the Company's consolidated financial statements.

In January 2010, the FASB issued ASU No. 2010-6, "*Improving Disclosures About Fair Value Measurements*", which provides amendments to ASC 820 *Fair Value Measurements and Disclosures*, including requiring reporting entities to make more robust disclosures about (1) the different classes of assets and liabilities measured at fair value, (2) the valuation techniques and inputs used, (3) the activity in Level 3 fair value measurements including information on purchases, sales, issuances, and settlements on a gross basis and (4) the transfers between Levels 1, 2, and 3. The standard is effective for annual reporting periods beginning after December 15, 2009, except for Level 3 reconciliation disclosures, which are effective for annual periods beginning after December 15, 2010. The Company adopted this standard beginning January 1, 2011, and the adoption did not have a material impact on the Company's consolidated financial statements.

Note 16 – Subsequent Events

In accordance with FASB ASC 855, *Subsequent Events*, the Company evaluates events and transactions that occur after the balance sheet date for potential recognition in the consolidated financial statements. The effect of all subsequent events that provide additional evidence of conditions that existed at the balance sheet date are recognized in the consolidated financial statements as of December 31, 2011. In preparing these consolidated financial statements, the Company evaluated the events and transactions that occurred through the date these consolidated financial statements were issued. There were no material subsequent events that required recognition or additional disclosure in these consolidated financial statements.

Exhibit 31.1

CHIEF EXECUTIVE OFFICER CERTIFICATION
PURSUANT TO SECTION 302

I, John Salerno, certify that:

1. I have reviewed this Annual Report on Form 10-K of iGambit, Inc. (the "Registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

   c) evaluated the effectiveness of the Registrant's disclosure controls and procedures presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: March 30, 2012

/s/ John Salerno

John Salerno
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CHIEF FINANCIAL OFFICER CERTIFICATION
PURSUANT TO SECTION 302

I, Elisa Luqman, certify that:

1. I have reviewed this Annual Report on Form 10-K of iGambit, Inc. (the "Registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;

   c) evaluated the effectiveness of the Registrant's disclosure controls and procedures presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: March 30, 2012 /s/ Elisa Luqman
Elisa Luqman
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Annual Report of iGambit, Inc. (the "Company") on Form 10-K for the twelve months ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John Salerno, Principal Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fully presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ John Salerno
John Salerno
Principal Executive Officer

March 30, 2012

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Annual Report of iGambit, Inc. (the "Company") on Form 10-K for the twelve months ended December 31, 2011, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Elisa Luqman, Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fully presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Elisa Luqman
Elisa Luqman
Principal Financial Officer

March 30, 2012