Company Registration No. 03325701 (England and Wales)

Double Negative Films Limited

Financial statements
For the year ended 31 March 2017

Double Negative Films Limited

Company Information

Directors	M Holben A Hope
Secretary	Derringtons Limited
Company Number	08264929
Registered Office	160 Great Portland Street London United Kingdom W1W 5QA
Independent Auditors	Deloitte LLP 2 New Street Square London EC4A 3BZ

Double Negative Films Limited

Contents

The directors present their strategic report for the year ended 31 March 2017.

Business Review

During the year, the Company entered into a revenue participation agreement with one of the studios, wherein the Company will share a specified percentage of box office collection after covering the production costs.

Principal Risks and Uncertainties

As a project-based business, one risk faced by the company is around timing of cash flow. The Company is a direct subsidiary of Double Negative Holdings Limited. The cash flow situation is supported by the Holding Company.

General risks include economic downturn and currency fluctuations. The film industry has proved resilient during recent global economic downturns, as film-going is generally seen as a low cost form of entertainment by the general public. Risks relating to a local economic downturn are relatively low due to the global nature of the client base.

Development and performance of the company

Company entered into a revenue participation agreement with one of the studios, wherein the Company will share a specified percentage of box office collection after covering the production costs.

The Directors consider the company's financial performance to be satisfactory, considering revenue participation should yield results next year.

Key Performance Indicators

An important KPI for the Company is revenue earned by the movie with which revenue participation agreement has been entered into with, which will yield results, only once the movie releases.

On behalf of the board

………………………
A Hope
Director

…………………….. [Date]

The directors present their report and financial statements for the year ended 31 March 2017.

Principal activities

The principal activity of the company is that entering into agreement with production houses/ studios for revenue participation in movies.

Results and dividends

The Statement of Profit or Loss and Other Comprehensive Income for the year is set out on page 9.

Financial risk management objectives and policies

The Company is a direct subsidiary of Double Negative Holdings Limited. The Holding Company provides cash support.

Directors

The following directors have held office since 1 April 2016:

M Holben
A Hope

Employee involvement

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

Disabled persons

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given, once employed, a career plan is developed so as to ensure suitable opportunities for each disabled person. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Creditor payment policy

It is the company's policy to pay all creditors promptly as payments fall due.

Financial risk

Liquidity risk

The company is financed by Holding Company with appropriate long-term and short-term finance to match the need of the business.

Foreign currency risk

The Company is exposed to foreign currency risk on its operations, by virtue of entering into transactions in currencies other than the company's functional currency of Sterling. The risk is limited, since substantial transactions of the Company are in Sterling.

Credit risk

New credit customers are only accepted after they have been approved by the Board and credit control. Cash is only lodged with reputable financial institutions that have been pre-approved by the Board.

Auditors

Deloitte LLP are appointed as auditors for the Company.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC) incorporating the Amendments to FRS 101 issued by the FRC in July 2015 other than those relating to legal changes and has not applied the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 that are effective for accounting periods beginning on or after 1 January 2016. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the auditors unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditors are aware of that Information.

On behalf of the board

………………………
A Hope
Director
…………………….. [Date]

Independent Auditors' Report to the Members
For the year ended 31 March 2017

We have audited the financial statements of Double Negative Limited for the year ended 31 March 2017 set out on pages 9 to 51. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the company's financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of affairs of the company as at 31 March 2016 and of its loss for the year then ended; and
- the company's financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent Auditors' Report to the Members (continued)
For the year ended 31 March 2017

Matters on which we are required to report by exception

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

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

Jamie Cassell (Senior Statutory Auditor)

For and on behalf of

Saffery Champness LLP
Chartered Accountants
Statutory Auditors

71 Queen Victoria Street

London

EC4V 4BE

Double Negative Films Limited

Statement of Financial Position
As at 31 March 2017

	Notes	At 31 March 2017 £	At 31 March 2016 £
ASSETS			
Current assets			
Trade and other receivables		1	1
Other assets (Revenue participation in movie)		260,000	-
Total current assets		**260,001**	**1**
Total assets		**260,001**	**1**
EQUITY AND LIABILITIES			
Equity			
Issued capital		1	1
Total equity		**1**	**1**
Current liabilities			
Payables due to related parties	20	260,000	-
Total current liabilities		**260,000**	**-**
Total liabilities		**260,001**	**1**
Total equity and liabilities		**260,001**	**1**

The footnotes on pages XX to XX form an integral part of the Financial Statements

Approved by the Board and authorised for issue on _____________

____
A Hope
Director
Company Registration Number: 03558668

1. General information

Double Negative Films Limited ("the Company" or "Dneg Films") is a private company limited by shares incorporated and domiciled in the United Kingdom. The nature of the Company's operations and its principal activities are set out in the strategic report.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of Double Negative Holdings Limited. The group accounts of Double Negative Holdings Limited are available to the public and can be obtained as set out in note 10.

2. Significant accounting policies

Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations as issued by the International Accounting Standards Board (collectively "IFRS") as adopted for use in the European Union.

Basis of preparation

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the accounting policies. The areas where significant judgments and estimates have been made in preparing these financial statements are disclosed in note 3.

The financial statements have been prepared on the historical cost basis except for financial instruments that are measured or re-valued to their estimated fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services received.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, including directly observable prices or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such a basis, except for share based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17 and measurement that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly, and

Level 3 inputs are unobservable inputs for the asset or liability.

Financial Instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities, at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available for sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. Loans and receivables including trade, other and related party receivables, less any impairment and Cash and cash equivalents are measured at amortised cost using effective interest method.

Interest income on advances receivable is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade and other receivables and advances, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, excluding unbilled receivables, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The two categories are 'fair value through profit or loss' and 'other financial liabilities'

The Company's accounting policy for each category is as follows:

Fair value through profit or loss

They are carried in the Statement of Financial Position at fair value with changes in fair value recognised in the Statement of Profit or Loss and Other Comprehensive Income. Other than the certain embedded derivatives in certain financial instruments, the Company does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

Other financial liabilities

Other financial liabilities comprise trade payables and borrowings for which the accounting policy is described below:

Trade payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Borrowings and Interest payable and similar charges

Borrowings represent interest bearing loans which are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Statement of Financial Position. Interest payable and similar charges in this context include initial transaction costs and premiums payable on redemption, as well as any interest or coupon payable while the liability is outstanding. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for a period of at least twelve months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the costs of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognized in Statement of Profit or Loss and Other Comprehensive Income in the period in which they are incurred.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit or Loss and Other Comprehensive Income immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the contracts are not measured at FVTPL.

Equity instruments

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company’s ordinary shares are classified as equity instruments. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Accounting developments

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Company and which have not been applied in these financial statements, were in issue but were not yet effective. In some cases these standards and guidance have not been endorsed for use in the European Union.

Standard	Effective date, annual period beginning on or after
Annual Improvements 2012-2014 cycle	1 January 2016
IAS 16 *Property, Plant & Equipment* and IAS 38 – *Intangible assets* (amendments)	1 January 2016
IAS 1 Disclosure Initiative	1 January 2016
Amendments to IAS 12 – *Recognition of Deferred Tax for Unrealised Losses*	1 January 2017
Amendments to IAS 7 – *Disclosure Initiative*	1 January 2017
IFRS 9 *Financial instruments*	1 January 2018
IFRS 15 *Revenue from contracts with Customers* including amendments to IFRS 15: *Effective date of IFRS 15*.	1 January 2018
Clarifications to IFRS 15 *Revenue from contracts with Customers*	1 January 2018
Annual Improvements 2014 – 2016 cycle	1 January 2018
IFRS 16 *Leases*	1 January 2019

The directors are evaluating the impact that these standards will have on the financial statements of the Company.

3. Critical accounting estimates and judgments

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The judgments, estimates and associated assumptions are evaluated based on historical experience and various other factors, including expectations of future events, which are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, which are those involving estimates that have been made by the management in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognised in the Financial Statements:

Taxation

The Company makes estimates in respect of tax liabilities and tax assets. Full provision is made for deferred and current taxation at the rates of tax prevailing at the year-end unless future rates have been substantively enacted.

These calculations represent our best estimate of the costs that will be incurred and recovered but actuals may differ from the estimates made and therefore affect future financial results. The effects would be recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Deferred tax assets arise in respect of unutilised losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the asset can be utilised or to the extent they can be offset against related deferred tax liabilities. In assessing recoverability, estimation is made of the future forecasts of taxable profit. If these forecast profits do not materialise, they change, or there are changes in tax rates or to the period over which the losses or timing differences might be recognised, then the value of deferred tax assets will need to be revised in a future period.

4. Capital management and financial instruments

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

a. Other Assets
b. Payables due to related parties

a. Categories of financial instruments

The financial instruments of the Company are categorised as follows:

At 31 March 2017	**Notes**	**Financial assets valued at FVTPL** £	**Loans and receivables held at amortised cost** £	**Total** £
Current financial assets				
Other assets		260,000	-	**260,000**
Trade and other receivables		-	1	**1**
		260,000	1	**260,001**

At 31 March 2016	**Notes**	**Financial assets valued at FVTPL** £	**Loans and receivables held at amortised cost** £	**Total** £
Current financial assets				
Trade and other receivables	14	-	1	**1**
		-	1	**1**

At 31 March 2017	**Notes**	**Financial liabilities valued at FVTPL** £	**Financial liabilities held at amortised cost** £	**Total** £
Current financial liabilities				
Payables due to related parties		-	260,000	**260,000**
		-	**260,000**	**260,000**

b. Capital risk management

The capital managed by the company consists of its other financial assets. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company management sets the amounts of capital required in proportion to risk. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets.

During the periods the Company's strategy was to monitor and manage the use of funds whilst developing business strategies and marketing.

The Company is not subject to any externally imposed capital requirements.

c. Financial risk management

The company is exposed through its operations to the following financial risks:

a. Credit risk
b. Liquidity risk
c. Market risk:
   i. Foreign exchange risk
   ii. Interest rate risk

a. <u>Credit risk</u>

Credit risk is the risk of financial loss to the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from clients and cash. Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. The highest credit risk exposure to other assets is £260,000 in respect of revenue participation in a movie.

b. Market risk

The primary market risks to which the Company is exposed are foreign currency risk and interest rate risk.

i. Foreign currency risk

All portion of the receivables and payables for the Company are in sterling.

ii. Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows in relation to a financial instrument will fluctuate due to changes in interest rates.

The Company has some interest rate risk as borrowings are predominantly arranged at variable rates. The interest rate profile of the Company's financial assets and liabilities were:

At 31 March 2017	**Notes**	**Fixed rate £**	**Floating rate £**	**Interest free £**	**Total £**
Financial assets					
Trade and other receivables		-	-	1	**1**
Other assets (revenue participation in a movie)		-	-	260,000	**260,000**
		-	**-**	**260,001**	**260,001**
Financial liabilities					
Payables due to related parties		-	-	260,000	**260,000**
		-	**-**	**260,000**	**260,000**

At 31 March 2016	**Notes**	**Fixed rate £**	**Floating rate £**	**Interest free £**	**Total £**
Financial assets					
Trade and other receivables	14	-	-	1	**1**
		-	**-**	**-**	**1**

5. Trade and other receivables

	As At 31 March 2017 £	**As At 31 March 2016 £**
Amounts falling due within one year:		
Trade receivables	1	1
Less: Allowance for doubtful debts	-	-
	1	**1**

6. Other assets

	As At 31 March 2017 £	As At 31 March 2016 £
Revenue participation in a movie	260,000	-

7. Share Capital

Allotted, called up and fully paid up

	31 March 2017 £	31 March 2016 £
1 Ordinary share of £1 each	1	1

8. Related party transactions

Name of related Party	Relationship to group
Prime Focus Limited	Ultimate Holding Company (the parent) (control exists)
PF World Limited	Intermediate Holding Company (control exists)
Prime Focus Luxembourg S.a.r.l	Intermediate Holding Company (control exists)
Prime Focus 3D Cooperatief UA	Holding Company (control exists)
De-Fi Media Limited	Fellow Subsidiary
Gener8 Digital Media Services Limited	Fellow Subsidiary
Prime Focus Technologies Private Limited	Fellow Subsidiary } Prime Focus Technologies Group
Prime Focus Technologies, Inc.	Fellow Subsidiary }
Prime Focus Motion Pictures Limited	Fellow Subsidiary
Prime Focus World N.V.	Holding Company
Prime Focus North America Inc.	Fellow Subsidiary
Prime Focus Creative Services Inc.	Fellow Subsidiary
Prime Focus World Creative Services Private	Fellow Subsidiary
Limited	Fellow Subsidiary
Reliable Laptops Private Limited	Fellow Subsidiary
Prime Focus World Malaysia Sdn Bhd.	Fellow Subsidiary
Prime Focus International Services UK Limited	Fellow Subsidiary
Double Negative LA LLC	Fellow Subsidiary
M Holben	Director
A Hope	Director
P Chiang	Director
Rocketship Limited	Director (P Chiang) is a shareholder

During the normal course of its business, the Group enters into various transactions with both the Ultimate Holding Company and other commonly controlled entities in the Prime Focus Group.

i. During the year, Prime Focus World NV received £260,000 from Prime Focus World NV and it is outstanding as at year end,

9. Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis:

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used).

Financial Assets/ Financial Liabilities	Fair Value as at 31 March 2017	Fair Value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Revenue participation in movie	260,000	Level 3	Undiscounted cash flow based on estimated theatrical box office performance	Future estimated theatrical box office performance. These estimates are based on available historical market information in respect of the actual performance of the films deemed to be generally comparable.	Higher the estimated theatrical box office performance, the higher is the fair value

<u>Reconciliation of level 3 fair value measurements</u>

Closing balance at March 31, 2016 (Financial Asset)	**-**
Payments made for revenue participation in movies	260,000
Closing balance at March 31, 2017 (Financial Asset)	**260,000**

10. In the opinion of the directors, the Company's immediate controlling party is Double Negative Holdings Limited, a Company incorporated in Great Britain. Copies of the group financial statements of Double Negative Holdings Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.