



Independent Auditors' Report

To the Members of
Prime Focus Technologies UK Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Prime Focus Technologies UK Limited ('the Company') which comprise the standalone Balance Sheet as at 31st March, 2018, the standalone Statement of Profit and Loss and the standalone Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

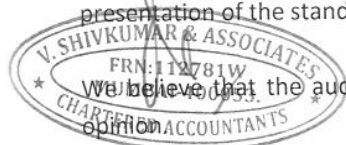
Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





V. Shivkumar & Associates

Chartered Accountants

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the standalone Balance Sheet, of the state of affairs of the Company as at 31st March, 2018 ;
- (ii) in the case of the standalone Statement of Profit and Loss, the **Loss** for the year ended on that date ;
- (iii) in the case of the standalone Cash Flow Statement for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the standalone Balance Sheet, the standalone Statement of Profit and Loss and the standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account; and
- d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

Place: Mumbai
Date: 24th May, 2018



For V. Shivkumar & Associates
Chartered Accountants
FRN NO: 112781W

V. Shivkumar
Proprietor
M. No.: 042673

Standalone Financial Statements for the Year Ended 31 March 2018

for

Prime Focus Technologies UK Limited

Particulars	Notes	As at 31 Mar 2018	As at 31 Mar 2017
1. Non-current Assets			
(a) Property, plant and equipment	4	162,409	197,357
(b) Capital work-in-progress		-	-
(c) Goodwill		-	-
(d) Other intangible assets		-	-
(e) Intangible assets under development		-	-
(f) Financial assets		-	-
(ii) Investments	5	2,336,143	2,336,143
(ii) Other financial assets	8	50,045	50,045
(h) Other non-current assets	9	-	-
Total Non-current Assets		2,548,597	2,583,545
2. Current assets			
(a) Inventories		-	-
(b) Financial assets			
(i) Trade receivables	6	216,156	535,661
(ii) Cash and cash equivalents	7 a	26,916	14,595
(iii) Bank balances other than (ii) above	7 b	-	-
(iv) Loans		-	-
(v) Other financial assets	8	2,178,461	2,191,252
(c) Other current assets	9	138,802	141,450
Total Current Assets		2,560,335	2,882,959
Total assets		5,108,931	5,466,504
Equity			
(a) Equity share capital	10	0.01	0.01
(b) Other equity	11	1,989,590	1,773,575
Equity attributable to owners of the Company		1,989,590	1,773,575
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	2,279	2,511,117
(ii) Other financial liabilities	13	-	-
(b) Deferred tax liability (net)		-	-
(c) Provisions	15	-	-
(d) Other non-current liabilities	16	-	-
Total Non-current liabilities		2,279	2,511,117
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	2,496,719	-
(ii) Trade payables		473,305	1,000,591
(iii) Other financial liabilities	14	127,131	122,140
(b) Provisions	15	-	-
(c) Current tax liabilities (net)		-	-
(d) Other current liabilities	16	19,907	59,080
Total current liabilities		3,117,062	1,181,812
Total equity and liabilities		5,108,931	5,466,504

See accompanying notes to the standalone financial statements

1-26

In terms of our report attached

For V. Shivkumar & Associates

Chartered Accountants

Firm Registration No. 112781W

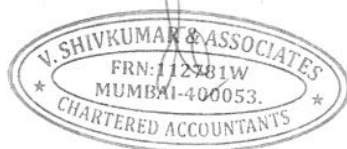
V. Shivkumar

(Proprietor)

Membership No.042673

Place: Mumbai

Date:



For and on behalf of the Board of Directors

Ramakrishnan Sankaranarayanan

(Director)

Mumbai, dated:

Prime Focus Technologies UK Limited

Standalone Statement of Profit and Loss Account for the year ended March 31, 2018

in £

Particulars	Notes	Year ended Mar 31, 2018	Year ended Mar 31, 2017
Income			
Revenue from operations	18	1,120,444	2,263,870
Other income	19	52,341	28,028
Total income from operations		1,172,786	2,291,899
Expenses			
Employee benefits expense	20	265,201	808,603
Employee stock option expense		-	-
Technical service cost		197,837	359,871
Depreciation and amortisation expense	4 & 5	52,363	51,427
Other expenditure	21	595,583	492,672
Finance costs	22	150,678	637,032
Exchange loss (net)		-	44,861
Total Expenses		1,261,663	2,394,467
Profit / (Loss) before tax		(88,877)	(102,568)
Tax expense			
Current tax	22A	108	-
Deferred tax		-	-
Total tax expense		108	-
Profit / (Loss) for the year		(88,985)	(102,568)

Other comprehensive income

	Notes	For the year ended March 2018	For the year ended March 2017
A (i) items that will not be reclassified to profit or loss			
Re-measurements of defined benefit obligations		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to the profit or loss			
Exchange difference in translating the financial statements		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income		-	-
Total other comprehensive income for the year		(88,985)	(102,568)
Earning per equity share of face value of £ 0.1 each			
(a) Basic (in £)		(0.00)	(102,568.34)
(b) Diluted (in £)		(0.00)	(0.00)

See accompanying notes to the standalone financial statements

1-26

In terms of our report attached

For V. Shivkumar & Associates

Chartered Accountants

Firm Registration No. 112781W

V. Shivkumar

(Proprietor)

Membership No.042673

Place: Mumbai



For and on behalf of the Board of Directors

Ramakrishnan Sankaranarayanan

(Director)

Mumbai, dated:

Prime Focus Technologies UK Limited
Standalone Cash Flow Statement for the year ended March 31, 2018

in £

Particulars	Year ended Mar 31, 2018	Year ended Mar 31, 2017
Cash flow from Operating activities		
Profit before tax	(88,877)	(102,568)
Non-cash adjustments to reconcile profit before tax to net cash flows :		
Depreciation and amortization expense	52,363	51,427
Sundry debit balances / bad debts written off / written back (net)	-	-
Interest income	(40,968)	(22,222)
Finance costs	131,509	635,576
Provision for Direct Taxes	(108)	-
Operating profit before working capital changes	53,919	562,213
Movements in working capital :		
(Increase)/(Decrease) in non current other Financial assets	-	(50,045)
(Increase)/Decrease in Inventory	-	-
(Increase)/(Decrease) in trade receivables	192,824	(188,503)
(Increase)/(Decrease) in current other Financial assets	12,792	(1,648,978)
(Increase)/(Decrease) in other current assets	(10,052)	12,555
(Decrease)/Increase in trade payables	(376,533)	789,731
(Decrease)/Increase in Short Term Borrowings	2,496,719	-
(Decrease)/Increase in other Financial liabilities	4,991	(644,023)
(Decrease)/Increase in other current liabilities	(39,173)	14,329
(Decrease)/Increase in other long-term liabilities	-	-
(Decrease)/Increase in long-term provisions	-	-
(Decrease)/Increase in short-term provisions	-	-
Cash generated from operations	2,335,487	(1,152,721)
Direct taxes (paid) / refund received	-	-
Net cash flow from operating activities (A)	2,335,487	(1,152,721)
Cash flow from Investing activities		
Purchase/Sale of Fixed Assets (net)	(17,415)	(97,168)
Interest received	40,968	22,222
Net cash flow (used in) Investing activities (B)	23,553	(74,947)

Cash flow from financing activities		
Proceeds from issuance of Preference shares	305,000	1,695,000
Proceeds received from/ (repayment) of Non Current borrowings (net)	(2,508,838)	(1,784)
Interest paid	(131,509)	(635,576)
Net Cash flow (used in) / generated from Financing activities (C)	(2,335,347)	1,057,640
Net increase / (decrease) in cash and cash equivalents (A+B+C)	23,694	(170,028)
Cash and Cash Equivalents at the Beginning of the year	14,595	139,763
Effect of foreign exchange translation	(11,373)	44,860
Cash and Cash Equivalents at the End of the year	26,916	14,595
Notes:		
1) Components of cash and cash equivalents		
a) Cash on hand		210
b) Balance in banks - current accounts	26,916	14,385
Cash and cash equivalents (Refer note 7)	26,916	14,595

See accompanying notes to the standalone financial statements

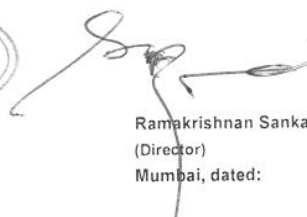
In terms of our report attached
For V. Shivkumar & Associates
Chartered Accountants
Firm Registration No. 112781W

For and on behalf of the Board of Directors



V. Shivkumar
(Proprietor)
Membership No.042673
Mumbai, dated:





Ramakrishnan Sankaranarayanan
(Director)
Mumbai, dated:

Prime Focus Technologies UK Limited
Notes to Financial Statements

1. Corporate information

Prime Focus Technologies UK Limited ('PFT UK' and 'the Company') and all its subsidiaries (collectively referred to as 'Group') are engaged in the business of providing digital technological solutions to the sports, film, broadcast, advertising and media industries

2. Statement of significant accounting policies:

a. Basis of preparation

The standalone financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956 ('the 1956 Act') (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ('the 2013 Act') in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The standalone financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied by the Group are consistent with those of the previous year.

b. Principles of consolidation

The standalone financial statements include the financial statements the Company and all its subsidiaries (collectively referred to as 'the Group'), which are more than 50% owned or controlled and have been prepared in accordance with the principles of consolidation laid down in Accounting Standard 21- 'standalone Financial Statements' notified under section 211 (3C) of the Companies Act, 1956.

The standalone financial statements have been prepared on the following basis:

- i. The financial statements of the Company and its subsidiary have been combined on a line-by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and intra-group transactions.
- ii. The Assets and Liabilities of subsidiaries are translated into British Pound at the rate of exchange prevailing as of the Balance sheet date. Revenue and Expenses translated into British Pound at an average closing rate. Any exchange difference arising on consolidation is recognized in the net Foreign Exchange gain or loss x/L account.
- iii. The difference between the costs of investment in subsidiaries over the net asset at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- iv. The standalone financial statements are prepared using uniform accounting policies to the extent practicable across the Group. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by Company, except in case of the accounting policies for depreciation and amortization.
- v. Details of subsidiaries included in the standalone financials.

Name of Subsidiary	Principal Activity	Country of Incorporation	Percentage of Holding
Prime Post Europe Limited	Content Management services	London, U.K	100%

c. Use of Estimates

The preparation of standalone financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Accounting estimates change from period to period. Actual result could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

Intangible fixed assets

Fixed assets are carried at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition or its intended use. Borrowing costs relating to acquisition, construction or qualifying assets which takes period more than 8 to 10 months of time to get ready for its intended use are capitalized as part of the cost of such assets.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

e. Intangible Assets

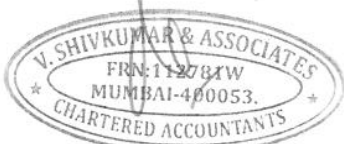
Intangible assets are stated at cost less accumulated amortization and impairment loss, if any.

Research cost are expensed as incurred. Development cost are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has intention and ability to complete the project, use or sell the asset and cost of the asset can be measured reliably.

f. Depreciation of fixed assets

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 (also refer note 11 and 12). Assets acquired under finance lease are depreciated over the period of lease. Assets costing Rs.5,000.00 or less are depreciated at 100% in the year of purchase. Goodwill on acquisition is not amortized but is tested for impairment on Annual Basis.



g. Impairment of assets

The carrying values of assets are reviewed at each Balance Sheet date for impairment. If any indicators of impairment exist, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

h. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

i. Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the Statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the leased term.

j. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from technical services are recognized on the basis of services rendered and when no significant uncertainty exists as to its determination or realization.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends are recognized when the shareholders' right to receive payment is established by the Balance Sheet date.

k. Foreign Currency Transactions

Initial Recognition

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

At the year end, foreign currency monetary items are reported using the closing exchange rate.

Exchange Differences

Exchange difference are recognized as income or expenses in the year in which they arise except in the case of exchange differences arising on long term monetary items related to acquisition of fixed assets which are capitalized and depreciated over the remaining useful life of assets.

l. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



Consolidated Statement of Changes in Equity for the year ended March 31, 2018

A. Equity Share Capital		in £
Particulars	Total	
As at April 1, 2016	0.01	
Changes in Equity Share Capital during the year	-	
As at March 31, 2017	0.01	
Changes in Equity Share Capital during the year	-	
As at March 31, 2018	0.01	

Particulars	Attributable to owners of the Company					Preference Shares Optionally Convertible Redeemable shares	Total
	Reserves and Surplus			Other Reserves			
	Debtore Redemption Reserve	Securities Premium	Balance in the Statement of Profit and Loss	Foreign Currency Translation Reserve	ESOP Reserve		
Balance as at March 31, 2016	-	-	644,008	-	-	-	644,008
Addition during the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	102,569	-	-	(2,520,151)	(2,417,582)
Exchange rate fluctuation during the year	-	-	-	-	-	-	-
Balance as at March 31, 2017	-	-	746,577	-	-	(2,520,151)	(1,773,574)
Transfer from Profit and Loss to debenture redemption reserve	-	-	-	-	-	-	-
Securities Premium on issue of Equity shares at a premium	-	-	-	-	-	-	-
Expenses on issue of equity shares/Debentures	-	-	-	-	-	-	-
Premium on redemption of debentures	-	-	-	-	-	-	-
Exchange rate fluctuation during the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	88,985	-	-	-	88,985
Addition during the year	-	-	-	-	-	(305,000)	(305,000)
Balance as at March 31, 2018	-	-	835,562	-	-	(2,825,151)	(1,989,589)



Prime Focus Technologies UK Limited
Notes to Financial Statements

3. Equity Share capital

in £

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	No of Shares	Amount	No of Shares	Amount
Authorized shares:				
Equity Shares of £ 0.01 each	1	0.01	1	0.01
		<u>0.01</u>		<u>0.01</u>
Issued, subscribed and paid-Up:				
Equity Shares of £ 0.01 each	1	0.01	1	0.01
		<u>0.01</u>		<u>0.01</u>

Movement in equity share capital

Particulars	For the year ended 2018		For the year ended 2017	
	No of Shares	Amount	No of Shares	Amount
Equity Shares as at 1 April	1	0.01	1	0.01
Changes during the year	-	-	-	-
Equity Shares as at 31 March	<u>1</u>	<u>0.01</u>	<u>1</u>	<u>0.01</u>

Details of Shareholders holding more than 5% shares in the company

Particulars	For the year ended 2018		For the year ended 2017	
	No of Shares	Amount	No of Shares	Amount
Prime Focus Technologies Limited	1	100%	1	100%



Prime Focus Technologies UK Limited
Notes to Financial Statements

4. Tangible assets

in £

Particulars	Equipments	Leasehold Improvement	Total
Current Year			
Gross block			
As at April 1, 2017	528,459	-	528,459
Additions	13,220	4,195	17,415
Deduction	-	-	-
As at Mar 31, 2018	541,679	4,195	545,874
Depreciation			
As at April 1, 2017	331,102	-	331,102
For the year	51,604	759	52,363
Deduction	-	-	-
As at Mar 31, 2018	382,706	759	383,465
Net block			
As at Mar 31, 2018	158,973	3,436	162,409
Previous Year			
Gross block			
As at April 1, 2016	431,291	-	431,291
Additions	97,168	-	97,168
Deduction	-	-	-
As at Mar 31, 2017	528,459	-	528,459
Depreciation			
As at April 1, 2016	279,675	-	279,675
For the year	51,427	-	51,427
Deduction	-	-	-
As at Mar 31, 2017	331,102	-	331,102
Net block			
As at Mar 31, 2017	197,357	-	197,357



Prime Focus Technologies UK Limited
Notes to Financial Statements

5. Investments

in £

	As at 31 Mar 2018	As at 31 Mar 2017
Long Term, At cost, fully paid up		
Trade Investment (unquoted)		
In shares of Subsidiary Companies		
100 Shares of Prime Post (Europe) Limited £1 each	2,336,143	2,336,143
Total	2,336,143	2,336,143

Note :

Prime Focus London Plc (PFLP) (Holding Company of Target) was into the Business of Post Production i.e. Data Services which includes Tagging, Visual QC, Digitalization, Grading, Restoration, & Localization services which includes Dubbing, Subtitling, Close captioning, Retime coding, etc. to service its customers within UK and Europe. PFLP has carried out this business through its two subsidiaries namely VTR Media Investment Limited (VMIL) (Intermediate Holding company of Target) and Prime Post (Europe) Limited (Target). Prime Focus Technologies UK Limited (PFTUK) (Company) has entered into the Term Sheet dated October 14, 2014, to acquire PFLP's Post Production business carried out in UK and Europe. As per the Term Sheet, it has been agreed that PFTUK will buy entire share capital (100 ordinary shares of paid up value GBP 100) of PPEL held by VMIL and business for a consideration of GBP 2.5 million. The Term Sheet is dated October 14, 2014 and is effective from October 1, 2014. Any business carried out by PFLP in respect of Post Production business for UK and Europe will now be carried out by it on behalf of PFTUK till the date this actual transaction gets consummated.



6. Trade Receivables (Unsecured)

	<i>in £</i>	
	As at 31 Mar 2018	As at 31 Mar 2017
Current		
Considered good	216,156	535,661
Considered doubtful	-	-
	216,156	535,661
Allowance for doubtful receivables	-	-
	216,156	535,661

7. Cash and bank balances

	<i>in £</i>	
	As at 31 Mar 2018	As at 31 Mar 2017
a. Cash and cash equivalents		
Cash on hand (refer note below)	-	210
Bank balances		
In current Accounts	26,916	14,385
	26,916	14,595
b. Balances other than (a) above		
Other bank balances		
In deposits*	-	-
	-	-

8. Other financial assets

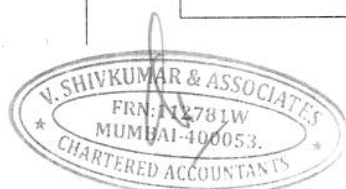
	<i>in £</i>	
	As at 31 Mar 2018	As at 31 Mar 2017
Non-current		
Deposits	50,045	50,045
Other loans and advances	-	-
	50,045	50,045
Current		
Unbilled revenue	215,500	149,362
Advance to fellow subsidiaries	1,962,961	2,029,190
Deposits	-	-
Other loans and advances	-	12,700
	2,178,461	2,191,252

9. Other Assets

	<i>in £</i>	
	As at 31 Mar 2018	As at 31 Mar 2017
Non-current (Unsecured)		
Capital advances	-	-
Advance payment of taxes (net of provision for tax)	-	-
	-	-
Current (Unsecured)		
Other loans and advances	8,376	-
Prepaid expenses	107,111	141,150
Advance payment of taxes (net of provision for tax)	23,315	-
	138,802	141,150

10. Equity Share Capital

	<i>in £</i>	
	As at 31 Mar 2018	As at 31 Mar 2017
Authorised share capital:	0.01	0.01
Issued, subscribed and paid-Up:	0.01	0.01
Total	0.01	0.01



11 Other equity

in £

	As at 31 Mar 2018	As at 31 Mar 2017
Preference shares		
As at last balance sheet	2,520,151	-
Movement during the year	305,000	2,520,151
	2,825,151	2,520,151
Other comprehensive income		
As per last balance sheet	(746,576)	(644,007)
Movement during the year	(88,985)	(102,568)
	(835,561)	(746,576)
	1,989,590	1,773,575

Non-Current Liabilities

12. Borrowings (Non - Current)

in £

	As at 31 Mar 2018	As at 31 Mar 2017
Term loans (secured)		
Others	-	2,500,000
(Refer note below)		
Other loan and advances (secured)		
Finance lease obligation	2,279	11,117
(Refer note below)		
Other loan and advances (unsecured)		
Loan from related party	-	-
(Refer note below)		
Total	2,279	2,511,117

13. Other Financial liabilities (Non current)

in £

	As at 31 Mar 2018	As at 31 Mar 2017
Deferred rent	-	-
Other long term payables	-	-
Deferred consideration for acquisition of subsidiaries and business	-	-
	-	-

14. Other Financial liabilities (Current)

in £

	As at 31 Mar 2018	As at 31 Mar 2017
Current maturity of long term borrowings		
Term loans (secured)		
from banks	-	-
(Refer note (14.b), (14.i), (14.j), (14.n), (14.q), (14.l) and (14.r))		
Term loans (unsecured)		
from others	-	-
(Refer note (14.p))		
Other loans and advances (secured)		
Finance lease obligations	8,810	8,341
(Refer note (14.t))		
	8,810	8,341
Deferred consideration for acquisition of business	-	-
Interest accrued but not due on borrowings	49	89
Advance from fellow subsidiaries	118,272	113,710
Capital Creditors	-	-
Deferred rent	-	-
Other financial liabilities	-	-
	127,131	122,140



15. Provisions

in £

	As at 31 Mar 2018	As at 31 Mar 2017
Non-current		
Provision for employee benefits		
Provision for gratuity (refer note 34)	-	-
	-	-
Current		
Provision for employee benefits		
Provision for gratuity (refer note 34)	-	-
	-	-

16. Other liabilities

in £

	As at 31 Mar 2018	As at 31 Mar 2017
Non-Current		
Deposit received from customers	-	-
Deferred revenue	-	-
	-	-
Current		
Accrued salaries and benefits	13,452	-
Deferred revenue	6,455	3,211
Other payables	-	55,869
	19,907	59,080

17. Borrowings (Current)

in £

	As at 31 Mar 2018	As at 31 Mar 2017
From Banks/ Others (Secured)		
Cash credit/ overdraft (Refer note (b), (e), (h) and (l) below)	2,496,719	-
Invoice discounting facility (Refer note (i), (h) and (k) below)	-	-
From Others (Unsecured)		
Short-term demand loan	-	-
	2,496,719	-

18. Revenue from operations

in £

	Year ended Mar 31, 2018	Year ended Mar 31, 2017
Sale of services	1,120,444	2,263,870
Total Revenue from Operations	1,120,444	2,263,870

19. Other income

in £

	Year ended Mar 31, 2018	Year ended Mar 31, 2017
Interest income:		
Bank deposits	-	-
on income tax refunds	-	-
Others	40,968	22,222
Gain on sale of investment	-	-
Net gain on sale of property, plant and equipment	-	-
Others	11,373	5,807
Total Other Income	52,341	28,028



20 Employee benefits expense <i>in £</i>		
	Year ended Mar 31, 2018	Year ended Mar 31, 2017
Salaries and wages	257,408	808,270
Contribution to provident fund and other funds (refer note 34)	-	-
Staff welfare expenses	7,793	333
Total Employee benefits expense	265,201	808,603

21 Other expenses <i>in £</i>		
	Year ended Mar 31, 2018	Year ended Mar 31, 2017
Rent	102,240	-
Communication cost	13,477	2,477
Electricity	4,346	2,500
Legal and Professional fees	200,930	235,131
Rates and taxes	37,779	283
Traveling and conveyance	12,716	18,459
Repairs and maintenance	27,077	12,704
Insurance cost	5,775	9,704
House keeping	5,599	2,743
Sales promotion expenses	162,791	143,681
Management fees	8,403	15,971
Consumables- Tapes	-	-
Miscellaneous expenses	8,016	29,292
Provision for doubtful debts	-	-
Sundry debit balances written off	-	-
Total Other expenses	589,150	472,947
Payment to auditors		
As auditor		
Audit fees	6,133	19,725
In other matters		
Total	6,433	19,725

22. Finance costs <i>in £</i>		
	Year ended Mar 31, 2018	Year ended Mar 31, 2017
Interest on term loan	-	-
Interest on working capital finance	131,509	635,576
Interest on buyer's credit	-	-
Interest on optionally convertible debentures	-	-
Interest on others	9,005	1,456
Change in fair value of financial liabilities	-	-
Facility Charges	10,164	-
Total Finance costs	150,678	637,032

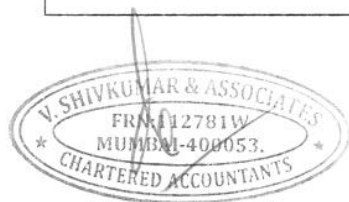
22.A. Tax expense <i>in £</i>		
	Year ended Mar 31, 2018	Year ended Mar 31, 2017
Current tax	108	-
Deferred tax	-	-
Total Tax Expense	108	-



Prime Focus Technologies UK Limited
Notes to Financial Statements

23. EPS

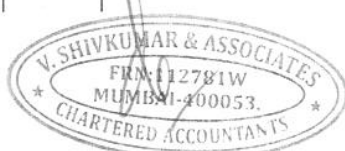
Particulars	Mar'18	Mar'17
Net Profit/(loss) before exceptional items but after tax attributable to common stock shareholders for basic EPS (GBP) (A)	(88,985)	(102,568)
Weighted average number of common stock shares outstanding during the year (for calculating basic EPS)(B)	252,015,101	1
Weighted average number of common stock shares outstanding during the year (for calculating Diluted EPS)(B)	268,168,526	69,939,382
Earnings per share		
Basic EPS (GBP) (C=A / B)	(0.00)	(102,568)
Diluted EPS (GBP) (C=A / B)	(0.00)	(0.00)
Nominal Value Per Share (GBP)	0.01	0.01



Prime Focus Technologies UK Limited
Notes to Financial Statements

24 Related party disclosure:

(i)	List of parties with whom transactions have taken place during the year		
	Prime Focus Technologies Limited- Holding Company (Control Exists)		
	Prime Focus Coopertief u.a. - Fellow Subsidiary		
	Prime Focus Luxembourg SARL- Fellow Subsidiary		
	Prime Focus Overseas Ltd- Fellow Subsidiary		
	Prime Focus World Ltd- Fellow Subsidiary		
	Prime Focus World NV- Fellow Subsidiary		
	Prime Focus Technologies Inc- Fellow Subsidiary		
	Prime Focus International Services UK Limited- Fellow Subsidiary		
	Prime Post Europe Limited - Wholly Owned Subsidiary		
	De-Fi Media Limited- Fellow Subsidiary		
(ii)	Name and particulars of related party transactions:		
1)	Holding Company		
	Particulars	2018	2017
a)	<u>Prime Focus Technologies Limited:</u>		
	Technical Charges	-	-
	Reimbursement of expenses (Net)	10,483	14,437
	Technical Service Charges Repaid	-	-
	Issue of Preference Shares	305,000	2,520,151
	Loans received	-	-
	Loans repaid	-	825,151
	Interest on Loan	-	33,232
	Interest on Loan repayment	41,063	13,411
	Balance outstanding at the year end- credit	24,920	55,500
2)	Fellow Subsidiary companies		
	Particulars	2018	2017
a)	Prime Focus Coopertief u.a.		
	Reimbursement of expenses (Net)	-	-
	Balance outstanding at the year end- debit	12,810	12,810
b)	Prime Focus Luxembourg SARL		
	Reimbursement of expenses (Net)	-	-
	Balance outstanding at the year end- debit	5,566	5,566
c)	Prime Focus World NV		
	Advances Received / (Given) - Net	50,000	50,000
	Repayment against Advances Recd	50,000	50,000
	Balance outstanding at the year end	-	-



Prime Focus Technologies UK Limited
Notes to Financial Statements

d)	Prime Focus Overseas Ltd		
	Reimbursement of expenses (Net)	-	-
	Balance outstanding at the year end- debit	1,879	1,879
e)	Prime Focus World Ltd		
	Reimbursement of expenses (Net)	-	-
	Balance outstanding at the year end- debit	2,840	2,840
f)	Prime Focus Technologies Inc		
	Reimbursement of expenses (Net)	5,769	9,771
	Short Term Loan Taken	-	211,989
	Repayment of Loan taken	-	211,989
	Loan Given	110,000	944,178
	Loan Given Received	538,088	102,456
	Interest on Loan (Net)	40,968	20,592
	Interest on Loan repayment	-	1,630
	Balance outstanding at the year end- debit	506,118	899,006
g)	Prime Focus International Services UK Limited		
	Advances Received / (Given) - Net	(456,500)	285,000
	Repayment against Advances Recd	509,368	335,000
	Reimbursement of expenses (Net)	41,178	-
	Balance outstanding at the year end- credit	69,535	81,224
h)	Prime Post Europe Limited		
	Reimbursement of expenses (net)	320,889	630,192
	Balance outstanding at the year end- debit	1,416,715	1,095,826
i)	De-Fi Media Limited		
	Advances Received / (Given) - Net	-	-
	Advances repaid / received back (Net)	-	-
	Balance outstanding at the year end- credit	7,000	7,000



25. Financial instruments

Capital Management

The company's capital includes issued share capital and all other distributable reserves. The primary objective of the Company's Capital Management is to maximise shareholder value and to maintain an optimal capital structure to reduce the cost of capital. The company does not have any long term and short term borrowings and all its capital needs are either met by internal accruals i.e surplus balances of previous years or by effective management of its working capital. As at the balance sheet date, the company's share capital, and distributable reserves are:

	As at March 31		As at March 31	
	2018	2017	2018	2017
	Carrying Value		Fair Value	
in £				
Financial Assets:				
Measured at amortised cost				
Trade receivables	216,156	535,661	216,156	535,661
Cash and cash equivalents	26,916	14,595	26,916	14,595
Other financial assets	2,178,461	2,191,252	2,178,461	2,191,252
Total financial assets measured at amortised cost	2,421,533	2,741,509	2,421,533	2,741,509
Financial Liabilities:				
Measured at amortised cost				
Borrowings	2,496,719	-	2,496,719	-
Trade payables	473,305	1,000,591	473,305	1,000,591
Other financial liabilities	127,131	122,140	127,131	122,140
Total financial liabilities measured at amortised cost	3,097,155	1,122,732	3,097,155	1,122,732

Capital Risk Management

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

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

The company is not subject to any externally imposed capital requirements

a) Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

i) Credit Risk

Cash and cash equivalents

Cash is held with various financial institutions at March 31, 2018. The total amount of cash and cash equivalents as of March 31, 2018 is £ 26,916 of which £ 26,916 was held in a scheduled bank

ii) Liquidity Risk

Liquidity risk is the risk that the company is unable to meet its payment obligations associated with its financial liabilities when they fall due. Ultimate responsibility for liquidity risk management rests with the Management, which has developed a liquidity management forecasting process which aims to ensure that the company has sufficient cash at all times to meet liabilities as they fall due.



Prime Focus Technologies UK Limited
Notes to Financial Statements

The following analysis sets out the maturities of financial assets and liabilities.

Liquidity Risk

At 31 March 2018	Less than 3 months	Between 3 and 12 months	More than 12 months	Total
Non-current financial assets				
Investments	-	-	2,336,143	2,336,143
Other financial assets	-	-	50,045	50,045
Current financial assets				
Trade and other receivables	216,156	-	-	216,156
Receivables due from related parties	1,962,961	-	-	1,962,961
Other financial assets	215,500	-	-	215,500
Cash and cash equivalents	26,916	-	-	26,916
	<u>2,421,533</u>	<u>-</u>	<u>2,386,188</u>	<u>4,807,720</u>
Non-current financial liabilities				
Borrowings	-	-	2,279	2,279
Other financial liabilities	-	-	-	-
Class B convertible redeemable preferred	-	-	-	-
Class B derivatives	-	-	-	-
Current financial liabilities				
Borrowings	2,496,719	-	-	2,496,719
Payables due to related party	118,272	-	-	118,272
Trade and other payables	473,305	-	-	473,305
Other financial liabilities	2,206	6,653	-	8,859
	<u>3,090,502</u>	<u>6,653</u>	<u>2,279</u>	<u>3,099,434</u>
At 31 March 2017				
	Less than 3 months	Between 3 and 12 months	More than 12 months	Total
Non-current financial assets				
Investments	-	-	2,336,143	2,336,143
Other financial assets	-	-	50,045	50,045
Current financial assets				
Trade and other receivables	535,661	-	-	535,661
Receivables due from related parties	2,029,190	-	-	2,029,190
Other financial assets	162,062	-	-	162,062
Cash and cash equivalents	14,595	-	-	14,595
	<u>2,741,509</u>	<u>-</u>	<u>2,386,188</u>	<u>5,127,697</u>
Non-current financial liabilities				
Borrowings	-	-	2,511,117	2,511,117
Other financial liabilities	-	-	-	-
Class B convertible redeemable preferred	-	-	-	-
Class B derivatives	-	-	-	-
Current financial liabilities				
Borrowings	-	-	-	-
Payables due to related party	(113,710)	-	-	(113,710)
Trade and other payables	1,000,591	-	-	1,000,591
Other financial liabilities	2,132	6,298	-	8,430
	<u>889,013</u>	<u>6,298</u>	<u>2,511,117</u>	<u>3,406,428</u>




26. Previous Year Figures


Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For V. Shivkumar & Associates
Chartered Accountants
in Registration No. 112781W

For and on behalf of the Board of Directors


V. Shivkumar
(Proprietor)
Membership No. 042673
Place: Mumbai
Date:




Ramakrishnan Sankaranarayanan
(Director)
Mumbai, dated: