



# V. Shivkumar & Associates

## Chartered Accountants

### Independent Auditors' Report

To the Members of  
Prime Focus Technologies UK Limited

#### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of **Prime Focus Technologies UK Limited** ('the Company') which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2023, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023;
- (ii) in the case of the consolidated Statement of Profit and Loss, the **Profit** for the year ended on that date;
- (iii) in the case of the consolidated 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account; and
- d. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on 31 March 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to Consolidated financial statements of the Company and the operating effectiveness of such controls.

Place: Mumbai  
Date: 22<sup>nd</sup> May, 2023  
UDIN: 23042673BGPWXV4215



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

V. Shivkumar  
Proprietor  
M. No.: 042673

**Prime Focus Technologies UK Limited**

**Consolidated Financial Statements for the year ended**

**31st March 2023**

Prime Focus Technologies UK Limited  
Consolidated Balance Sheet

in £

Particulars	Notes	As at 31 Mar 2023	As at 31 Mar 2022
<b>I. Non-current Assets</b>			
(a) Property, plant and equipment	4	1,461,834	1,639,040
(b) Capital work-in-progress		-	-
(c) Goodwill	5	2,336,043	2,336,043
(d) Other intangible assets	5	704,257	695,697
(e) Right to use plant & machinery	5	812,710	1,190,907
(f) Right to use - Building	5	435,103	500,369
(g) Intangible assets under development		-	-
(h) Financial assets		-	-
(i) Other financial assets	8	54,000	54,000
(j) Other non-current assets	9	-	59,331
<b>Total Non-current Assets</b>		<b>5,803,948</b>	<b>6,475,387</b>
<b>2. Current assets</b>			
(a) Inventories		-	-
(b) Financial assets			
(i) Trade receivables	6	2,101,564	1,637,004
(ii) Cash and cash equivalents	7 a	712,991	2,494,890
(iii) Bank balances other than (ii) above	7 b	-	-
(iv) Loans		-	-
(v) Other financial assets	8	1,715,767	393,311
(c) Other current assets	9	1,602,558	619,517
<b>Total Current Assets</b>		<b>6,132,880</b>	<b>5,144,722</b>
<b>Total assets</b>		<b>11,936,828</b>	<b>11,620,109</b>
<b>Equity</b>			
(a) Equity share capital	10	0.10	0.10
(b) Other equity	11	53,913	(451,650)
<b>Equity attributable to owners of the Company</b>		<b>53,914</b>	<b>(451,650)</b>
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	12	862,071	1,865,355
(ii) Other financial liabilities	13	-	-
(b) Deferred tax liability (net)		-	-
(c) Provisions	15	-	-
(d) Other non-current liabilities	16	-	-
<b>Total Non-current liabilities</b>		<b>862,071</b>	<b>1,865,355</b>
<b>(2) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17	6,442,646	6,777,624
(ii) Trade payables	14.1	2,331,497	1,601,066
(iii) Other financial liabilities	14	1,844,479	1,540,047
(b) Provisions	15	-	-
(c) Current tax liabilities (net)		-	-
(d) Other current liabilities	16	402,222	287,666
<b>Total current liabilities</b>		<b>11,020,844</b>	<b>10,206,403</b>
<b>Total equity and liabilities</b>		<b>11,936,828</b>	<b>11,620,108</b>

See accompanying notes to the consolidated 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  
Mumbai, dated: May 22, 2023  
UDIN:- 23042673BGPWXV4215



For and on behalf of the Board of Directors

Ramakrishnan Saakaranarayanan  
(Director)  
Los Angeles, USA, dated: May 22, 2023

**Prime Focus Technologies UK Limited**  
**Consolidated Statement of Profit and Loss Account**

in £

Particulars	Notes	Year Ended	Year Ended
		31-Mar-23	31-Mar-22
<b>Income</b>			
Revenue from operations	18	8,944,515	5,123,796
Other income	19	2,476	-
<b>Total income from operations</b>		<b>8,946,991</b>	<b>5,123,796</b>
<b>Expenses</b>			
Employee benefits expense	20	2,067,562	2,068,798
Technical service cost		4,326,249	586,319
Depreciation and amortisation expense	4 & 5	907,109	747,598
Other expenditure	21	865,790	1,137,913
Finance costs	22	322,128	278,037
Exchange loss (net)		11,674	256,912
<b>Total Expenses</b>		<b>8,500,512</b>	<b>5,075,577</b>
<b>Profit / (Loss) before tax</b>		<b>446,479</b>	<b>48,219</b>
<b>Tax expense</b>			
Current tax		-	-
Deferred tax	22A	-	-
<b>Total tax expense</b>			
<b>Profit / (Loss) for the year</b>		<b>446,479</b>	<b>48,219</b>
<b>Other comprehensive income</b>			
	Notes	31-Mar-23	31-Mar-22
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		(59,083)	(40,373)
<b>Total other comprehensive income</b>		<b>(59,083)</b>	<b>(40,373)</b>
<b>Total other comprehensive income for the year</b>		<b>387,396</b>	<b>7,846</b>
Earning per equity share of face value of £ 0.1 each			
(a) Basic (in £)		0.00	0.00
(b) Diluted (in £)		0.00	0.00

See accompanying notes to the consolidated 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  
 Mumbai, dated: May 22, 2023  
 UDIN:- 23042673BGPWXV4215



For and on behalf of the Board of Directors

**Ramakrishnan Sankaranarayanan**  
 (Director)  
 Los Angeles, USA, dated: May 22, 2023

Prime Focus Technologies UK Limited  
Consolidated Cash Flow Statement

in £

Particulars	Year ended Mar 31, 2023	Year ended Mar 31, 2022
<b>Cash flow from Operating activities</b>		
Profit before tax	446,479	48,219
<b>Non-cash adjustments to reconcile profit before tax to net cash flows :</b>		
Depreciation and amortization expense	907,109	747,596
Finance costs	322,128	278,037
Exchange Difference on Translation	59,083	40,373
Operating profit before working capital changes	1,734,799	1,114,227
<b>Movements in working capital :</b>		
(Increase)/(Decrease) in trade receivables	(464,558)	(724,054)
(Increase)/(Decrease) in current other Financial assets	(1,322,454)	1,430,798
(Increase)/(Decrease) in other current assets	(987,041)	975,979
(Increase)/(Decrease) in other non-current assets	59,331	(59,329)
(Decrease)/Increase in trade payables	730,431	(278,333)
(Decrease)/Increase in Short Term Borrowings	(324,978)	3,597,632
(Decrease)/Increase in other Financial liabilities	304,432	330,838
(Decrease)/Increase in other current liabilities	114,556	(1,542,925)
Cash generated from operations	(161,482)	4,744,783
Direct taxes (paid) / refund received	-	-
<b>Net cash flow from operating activities (A)</b>	<b>(161,482)</b>	<b>4,744,783</b>
<b>Cash flow from Investing activities</b>		
Purchase/Sale of Fixed Assets (net)	(295,005)	(1,210,889)
Capital Work in Progress	-	8,524
<b>Net cash flow (used in) Investing activities (B)</b>	<b>(295,005)</b>	<b>(1,202,365)</b>
<b>Cash flow from financing activities</b>		
Financing received from/(repayment) of Non Current borrowings (net)	(1,003,284)	(843,571)
Interest paid	(322,128)	(278,037)
<b>Net Cash flow (used in) / generated from Financing activities (C)</b>	<b>(1,325,412)</b>	<b>(1,121,608)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(1,781,899)</b>	<b>2,420,810</b>
Cash and Cash Equivalents at the Beginning of the year	2,494,890	74,080
Effect of foreign exchange translation	-	-
<b>Cash and Cash Equivalents at the End of the year</b>	<b>712,991</b>	<b>2,494,890</b>
<b>Notes:</b>		
<b>1) Components of cash and cash equivalents</b>		
a) Cash on hand	-	-
b) Balance in banks - current accounts	712,991	2,494,890
<b>Cash and cash equivalents (Refer note 7)</b>	<b>712,991</b>	<b>2,494,890</b>

See accompanying notes to the consolidated 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  
Mumbai, dated: May 22, 2023  
UDIN:- 23042673BGPWXV4215

For and on behalf of the Board of Directors

Ramadrishan Sankaranarayanan  
(Director)  
Los Angeles, USA, dated: May 22, 2023



Prime Focus Technologies UK Limited  
Notes to Consolidated Financial Statements

Consolidated Statement of Changes in Equity for the period ended March 31, 2023

A. Equity Share Capital		in £	
Particulars	Total		
As at March 31, 2021	0.10		
Changes in Equity Share Capital during the year	-		
As at March 31, 2022	0.10		
Changes in Equity Share Capital during the year	-		
As at March 31, 2023	0.10		

B. Other Equity

Particulars	Attributable to owners of the Company					Preference Shares	Optionally Convertible Redeemable shares	Total
	Debtors Redemption Reserve	Reserves and Surplus	Balance in the Statement of Profit and Loss	Foreign Currency Translation Reserve	Other Reserves			
Balance as at March 31, 2021	-	-	(3,177,031)	-	(18,362)	2,825,151	(540,242)	
Addition during the year	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	48,219	-	-	-	-	
Exchange rate fluctuation during the year	-	-	-	-	40,373	-	-	
Balance as at March 31, 2022	-	-	(3,128,812)	-	(147,989)	2,825,151	(451,650)	
Exchange rate fluctuation during the year	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	446,479	-	59,083	-	-	
Addition during the year	-	-	-	-	-	-	-	
Balance as at March 31, 2023	-	-	(2,682,333)	-	(88,906)	2,825,151	53,912	

See accompanying notes to the consolidated 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

Ramakrishnan Sankaranarayanan  
(Director)  
Los Angeles, USA, dated: May 25, 2023



V. Shivkumar  
(Proprietor)  
Membership No. 042673  
Mumbai, dated: May 22, 2023  
UDIN:- 23042673BGPWXV4215

**Prime Focus Technologies UK Limited**  
**Notes to Consolidated 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.

On 01st April 2018, the Company entered into a share purchase agreement to acquire 100% ownership of the issued capital of PF MEAD FZ LLC, a free zone limited liability company incorporated in the Media zone - Abu Dhabi.

The acquisition has been made by the Company to make valuable addition to the group's existing offerings in creative services and post production space. The acquisition of PF MEAD FZ LLC is expected to enrich the group with ability to access the Middle East market.

The Company has acquired 100 equity shares of AED 1 each from Prime Focus MEI limited.

Prime Focus MEAD FZ LLC, Abu Dhabi a wholly subsidiary company of Prime Focus Technologies UK Limited has filed for dormancy on 19th April 2020. Since the dormancy filing there has been no business transactions in Prime Focus MEAD FZ LLC. The Dormancy will run for a period of 2 years and on 10th April 2022 Prime Focus MEAD FZ LLC status would be inactive, however the final approved dormancy letter is still pending from Abu Dhabi authorities. It will take further 90 days for the authorities to confirm the inactive status of the entity.

**2. Statement of significant accounting policies:**

**a. Basis of preparation**

The consolidated 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 aspects 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 consolidated 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 consolidated financial statements include the financial statements of 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- 'Consolidated Financial Statements' notified under section 211 (3C) of the Companies Act, 1956.

The Consolidated 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 inter-group balances and inter-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 are 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 in P&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 consolidated 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 amortisation.

**v. Details of subsidiaries included in the consolidated financials:**

Name of the Subsidiary	Principal Activity	Country of Incorporation	Percentage of Holding
Prime Post (Europe) Limited	Content Management Services	London, United Kingdom	100%
Prime Focus MEAD FZ LLC	Post Production Services	Abu Dhabi, U.A.E	100%

**c. Use of Estimates**

The preparation of consolidated 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 year end. Accounting estimates change from period to period. Actual result could differ from these 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.

**d. Tangible 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 of qualifying assets which takes period more than 3 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 repairs and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year 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.





**Prime Focus Technologies UK Limited**  
**Notes to Consolidated Financial Statements**

**c. 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. Goodwill on acquisition is not amortized but is tested for impairment on Annual Basis.

**g. Impairment of assets**

The carrying value of assets are reviewed at each Balance Sheet date for impairment. If any indicator 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 revolved 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. 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.

**j. 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 expense 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.

**k. 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.



**Prime Focus Technologies UK Limited**  
**Notes to Consolidated Financial Statements**

**3. Equity Share capital** **in £**

Particulars	For the year ended Mar 31, 2023		For the year ended Mar 31, 2022	
	No of Shares	Amount	No of Shares	Amount
<b>Authorized shares:</b>				
10 Equity Share of £ 0.01 each	10	0.10	10	0.10
	<b>10</b>	<b>0.10</b>	<b>10</b>	<b>0.10</b>
<b>Issued, subscribed and paid-Up:</b>				
10 Equity Share of £ 0.01 each	10	0.10	10	0.10
	<b>10</b>	<b>0.10</b>	<b>10</b>	<b>0.10</b>

**Movement in equity share capital**

Particulars	For the year ended Mar 31, 2023		For the year ended Mar 31, 2022	
	No of Shares	Amount	No of Shares	Amount
Equity Share as at 1 April 2022	10	0.10	10	0.10
Changes during the year	-	-	-	-
Equity Share as at 31 March 2023	<b>10</b>	<b>0.10</b>	<b>10</b>	<b>0.10</b>

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

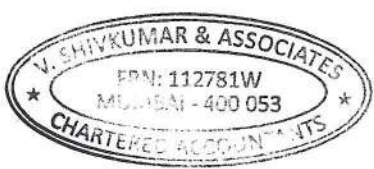
Particulars	For the year ended Mar 31, 2023		For the year ended Mar 31, 2022	
	No of Shares	Amount	No of Shares	Amount
Prime Focus Technologies Limited	10	100%	10	100%

**Shares held by promoters at the end March 31, 2023**

Promoter name	No of shares	% of total shares	% change during the year
Prime Focus Technologies Limited	10	100%	-

**Shares held by promoters at the end March 31, 2022**

Promoter name	No of shares	% of total shares	% change during the year
Prime Focus Technologies Limited	10	100%	-



**Prime Focus Technologies UK Limited**  
**Notes to Consolidated Financial Statements**

4. Tangible assets				in £
Particulars	Office Equipment	Computer	Leasehold Improvement	Total
<b>Current Year</b>				
<b>Gross block</b>				
As at April 1, 2022	584,466	1,257,535	820,352	2,662,354
Additions	-	132,888	-	132,889
Translation	-	-	-	-
Deduction	-	-	-	-
Transferred to Right to use plant & machinery	-	-	-	-
<b>As at March 31, 2023</b>	<b>584,466</b>	<b>1,390,424</b>	<b>820,353</b>	<b>2,795,243</b>
<b>Depreciation</b>				
As at April 1, 2022	557,414	289,520	176,382	1,023,316
For the year	9,365	215,203	85,522	310,090
Translation	-	-	-	-
Deduction	-	-	-	-
Transferred to Right to use plant & machinery	-	-	-	-
<b>As at March 31, 2023</b>	<b>566,779</b>	<b>504,723</b>	<b>261,905</b>	<b>1,333,406</b>
<b>Net block</b>				
<b>As at March 31, 2023</b>	<b>17,688</b>	<b>885,701</b>	<b>558,449</b>	<b>1,461,837</b>
<b>Previous Year</b>				
<b>Gross block</b>				
As at April 1, 2021	583,787	607,498	803,032	1,994,318
Additions	678	650,038	17,321	668,037
Translation	-	-	-	1
Deduction	-	-	-	-
Transferred to Right to use plant & machinery	-	-	-	-
<b>As at March 31, 2022</b>	<b>584,466</b>	<b>1,257,535</b>	<b>820,352</b>	<b>2,662,356</b>
<b>Depreciation</b>				
As at April 1, 2021	547,363	183,079	86,903	817,346
For the year	10,051	106,442	89,478	205,971
Translation	-	-	-	-
Deduction	-	-	-	-
Transferred to Right to use plant & machinery	-	-	-	-
<b>As at March 31, 2022</b>	<b>557,414</b>	<b>289,520</b>	<b>176,382</b>	<b>1,023,316</b>
<b>Net block</b>				
<b>As at March 31, 2022</b>	<b>27,052</b>	<b>968,016</b>	<b>643,970</b>	<b>1,639,040</b>



**Prime Focus Technologies UK Limited**  
**Notes to Consolidated Financial Statements**

**5. Intangible assets**

in £

Particulars	Software	Right to use Plant & Machinery	Right to use - Building	Goodwill	Total
<b>Current Year</b>					
<b>Gross block</b>					
As at April 1, 2022	864,505	2,192,986	630,901	2,336,043	6,024,436
Additions	162,116	-	-	-	162,116
Deduction	-	-	-	-	-
Transferred from plant & machinery	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>1,026,622</b>	<b>2,192,986</b>	<b>630,901</b>	<b>2,336,043</b>	<b>6,186,551</b>
<b>Depreciation</b>					
As at April 1, 2022	168,810	1,002,079	130,531	-	1,301,420
For the year	153,556	378,197	65,266	-	597,018
Deduction	-	-	-	-	-
Transferred from plant & machinery	-	-	-	-	-
<b>As at March 31, 2023</b>	<b>322,364</b>	<b>1,380,276</b>	<b>195,798</b>	<b>-</b>	<b>1,898,438</b>
<b>Net block</b>					
<b>As at March 31, 2023</b>	<b>704,257</b>	<b>812,710</b>	<b>435,103</b>	<b>2,336,043</b>	<b>4,288,114</b>
<b>Previous Year</b>					
<b>Gross block</b>					
As at April 1, 2021	321,655	2,192,986	630,901	2,336,043	5,481,585
Additions	542,852	-	-	-	542,851
Deduction	-	-	-	-	-
Transferred from plant & machinery	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>864,505</b>	<b>2,192,986</b>	<b>630,901</b>	<b>2,336,043</b>	<b>6,024,436</b>
<b>Depreciation</b>					
As at April 1, 2021	74,268	620,258	65,266	-	759,792
For the year	94,541	381,820	65,266	-	541,627
Deduction	-	-	-	-	-
Transferred from plant & machinery	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>168,810</b>	<b>1,002,079</b>	<b>130,531</b>	<b>-</b>	<b>1,301,420</b>
<b>Net block</b>					
<b>As at March 31, 2022</b>	<b>695,697</b>	<b>1,190,907</b>	<b>500,369</b>	<b>2,336,043</b>	<b>4,723,016</b>

Plant and equipment includes assets taken on finance lease as under.

Gross block: GBP 21,92,986 (March 31, 2022 GBP 2,192,986)

Depreciation charge for the year: GBP 378197 (March 31, 2022 GBP 381,820)

Accumulated depreciation: GBP 13,80,276 (March 31, 2022 GBP 10,02,077)

Net block: GBP 8,12,710 (March 31, 2022 GBP 11,90,909)



Prime Focus Technologies UK Limited  
Notes to Consolidated Financial Statements

6. Trade Receivables (Unsecured)

in £

	As at 31 Mar 2023	As at 31 Mar 2022
Current		
Considered good	2,101,564	2,010,368
Considered doubtful	-	(373,365)
Allowance for doubtful receivables	2,101,564	1,637,003
	-	-
	2,101,564	1,637,004

Trade receivables - ageing and other details	Undisputed trade receivables			Disputed trade receivables		
	Considered good	Which have significant increase in credit risk	Credit impaired	Considered good	Which have significant increase in credit risk	Credit impaired
31-03-23						
Not Due	1,290,177					
Less than 6 months	609,077					
6 months - 1 year	67,720					
1 - 2 year	-					
2 - 3 year	-					
More than 3 years	134,590					
Total	2,101,564					

Trade receivables - ageing and other details	Undisputed trade receivables			Disputed trade receivables		
	Considered good	Which have significant increase in credit risk	Credit impaired	Considered good	Which have significant increase in credit risk	Credit impaired
March 31, 2022						
Less than 6 months	967,475	371,597				
6 months - 1 year	4,107					
1 - 2 year	(1,072,995)					
2 - 3 year	(2,941)	1,768				
More than 3 years	1,741,358					
Total	1,637,004	373,364				



Prime Focus Technologies UK Limited  
Notes to Consolidated Financial Statements

7. Cash and bank balances

	in £	
	As at 31 Mar 2023	As at 31 Mar 2022
<b>a. Cash and cash equivalents</b>		
Cash on hand	-	-
<b>Bank balances</b>		
In current Accounts	712,991	2,494,890
	<b>712,991</b>	<b>2,494,890</b>
<b>b. Balances other than (a) above</b>		
Other bank balances		

8. Other financial assets

	As at 31 Mar 2023	As at 31 Mar 2022
<b>Non-current</b>		
Deposits	54,000	54,000
Other loans and advances	-	-
	<b>54,000</b>	<b>54,000</b>
<b>Current</b>		
Unbilled revenue	1,654,750	352,706
Advance to fellow subsidiaries	61,017	40,605
	<b>1,715,767</b>	<b>393,311</b>

9. Other Assets

	As at 31 Mar 2023	As at 31 Mar 2022
<b>Non-current (Unsecured)</b>		
Prepaid expenses	-	59,331
	-	<b>59,331</b>
<b>Current (Unsecured)</b>		
Other loans and advances	1,415,109	619,518
Prepaid expenses	187,450	-
	<b>1,602,559</b>	<b>619,518</b>

10. Equity Share Capital

	As at 31 Mar 2023	As at 31 Mar 2022
<b>Authorised share capital:</b>	0.10	0.10
10 Equity Share of £ 0.01 each		
<b>Issued, subscribed and paid-Up:</b>	0.10	0.10
10 Equity Share of £ 0.01 each		
<b>Total</b>	<b>0.10</b>	<b>0.10</b>



Prime Focus Technologies UK Limited  
Notes to Consolidated Financial Statements

11. Other equity

	As at 31 Mar 2023	As at 31 Mar 2022
<b>Preference shares</b>		
As at last balance sheet	2,825,151	2,825,151
Movement during the year	-	-
	2,825,151	2,825,151
<b>Reserve and Surplus</b>		
As at last balance sheet	(3,128,812)	(3,177,031)
Movement during the year	446,480	48,219
	(2,682,332)	(3,128,812)
<b>Foreign Exchange Translation Reserve</b>		
As at last balance sheet	(147,989)	(188,362)
Movement during the year	59,083	40,373
	(88,906)	(147,989)
<b>Total</b>	<b>53,913</b>	<b>(451,650)</b>

12. Borrowings (Non - Current)

	As at 31 Mar 2023	As at 31 Mar 2022
<b>Term loans (secured)</b>		
Others	-	-
<b>Other loan and advances (secured)</b>		
Finance lease obligation	862,071	1,865,355
<b>Total</b>	<b>862,071</b>	<b>1,865,355</b>

a. The Company leases certain building and equipment under finance leases. The Company has option to purchase the equipment for a nominal amount at the end of the lease term. The Company's obligation under finance leases are secured by hypothecation of such equipment. Interest rates underlying all obligations under finance lease range from 1.40% to 1.72% per annum.

b.

Particulars	Total Minimum lease payments outstanding	
	As at 31 Mar 2023	As at 31 Mar 2022
Within one year	970,748	1,106,903
Later than one year and not later than five years	864,773	2,151,009
later than five years		
<b>Total</b>	<b>1,835,521</b>	<b>3,257,912</b>



Prime Focus Technologies UK Limited  
Notes to Consolidated Financial Statements

Particulars	Future interest on outstanding	
Within one year	22,326	157,124
Later than one year and not later than five years	2,703	285,654
later than five years		
<b>Total</b>	<b>25,028</b>	<b>442,778</b>

Particulars	Present value of minimum lease payments	
Within one year	948,421.58	949,778
Later than one year and not later than five years	862,070.52	1,865,355
later than five years		
<b>Total</b>	<b>1,810,491</b>	<b>2,815,133</b>

13. Other Financial liabilities (Non current)

in £

	As at 31 Mar 2023	As at 31 Mar 2022
Other long term payables	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

14. Other Financial liabilities (Current)

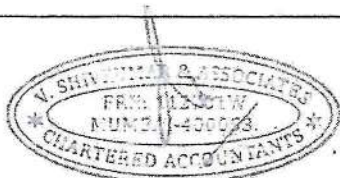
in £

	As at 31 Mar 2023	As at 31 Mar 2022
<b>Current maturity of long term borrowings</b>		
<b>Other loans and advances (secured)</b>		
Finance lease obligations	948,422	949,778
	<b>948,422</b>	<b>949,778</b>
Interest payable to group companies	675,751	394,849
Advance from fellow subsidiaries	-	-
Accrued salaries and benefits	65,475	91,110
Other financial liabilities	154,832	104,310
<b>Total</b>	<b>1,844,479</b>	<b>1,540,047</b>

15. Provisions

in £

	As at 31 Mar 2023	As at 31 Mar 2022
<b>Non-current</b>		
Provision for employee benefits	-	-
	-	-
<b>Current</b>		
Provision for employee benefits	-	-
<b>Total</b>	<b>-</b>	<b>-</b>





Prime Focus Technologies UK Limited  
Notes to Consolidated Financial Statements

16. Other liabilities

*in £*

	As at 31 Mar 2023	As at 31 Mar 2022
<b>Non-Current</b>		-
<b>Current</b>		-
Accrued salaries and benefits	888	8,190
Deferred revenue	401,334	279,476
Other payables		
<b>Total</b>	<b>402,222</b>	<b>287,666</b>

17. Borrowings (Current)

*in £*

	As at 31 Mar 2023	As at 31 Mar 2022
<b>From Others (Unsecured)</b>		
Loan from fellow subsidiary	6,442,646	6,777,624
<b>Total</b>	<b>6,442,646</b>	<b>6,777,624</b>

18. Revenue from operations

*in £*

	Year ended Mar 31, 2023	Year ended Mar 31, 2022
Sale of services	8,944,515	5,123,796
<b>Total Revenue from Operations</b>	<b>8,944,515</b>	<b>5,123,796</b>

19. Other income

*in £*

	Year ended Mar 31, 2023	Year ended Mar 31, 2022
Interest income:		
Others	2,476	-
<b>Total Other Income</b>	<b>2,476</b>	<b>-</b>

20. Employee benefits expense

*in £*

	Year ended Mar 31, 2023	Year ended Mar 31, 2022
Salaries and wages	2,046,379	2,051,878
Staff welfare expenses	21,183	16,920
<b>Total Employee benefits expense</b>	<b>2,067,562</b>	<b>2,068,798</b>



Prime Focus Technologies UK Limited  
Notes to Consolidated Financial Statements

21. Other expenses

in £

	Year ended Mar 31, 2023	Year ended Mar 31, 2022
Rent	30,648	3,940
Communication cost	38,930	36,859
Electricity	111,097	22,253
Legal and Professional fees	270,347	118,618
Rates and taxes	32,855	42,585
Traveling and conveyance	77,830	30,103
Repairs and maintenance	112,387	76,079
Consumables	7,388	12,666
Insurance cost	29,831	25,209
House keeping	19,185	24,607
Sales promotion expenses	62,658	69,290
Provision for doubtful debts	(373,364)	255,327
Bad Debts written off	373,364	116,270
Miscellaneous expenses	62,634	(112,197)
Penal Charges	-	400,000
<b>Total Other expenses</b>	<b>855,790</b>	<b>1,121,609</b>
<b>Payment to auditors</b>		
As auditor		
Audit fees	10,000	16,304
<b>Total</b>	<b>10,000</b>	<b>16,304</b>

22. Finance costs

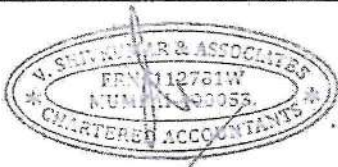
in £

	Year ended Mar 31, 2023	Year ended Mar 31, 2022
Interest on term loan (including finance lease)	50,522	77,895
Interest on loan from fellow subsidiary	222,188	144,809
Finance charges	49,418	55,333
<b>Total Finance costs</b>	<b>322,128</b>	<b>278,037</b>

22A. Tax expense

in £

	Year ended Mar 31, 2023	Year ended Mar 31, 2022
Current tax	-	-
Deferred tax	-	-
<b>Total Tax Expense</b>	<b>-</b>	<b>-</b>



Prime Focus Technologies UK Limited  
Notes to Consolidated Financial Statements

14.1 Trade Payables - ageing and other details

*in £*

As at March 31, 2023	MSME	Others	Disputed dues- MSME	Disputed dues- others
Provisions	-	1,147,788	-	-
Not due	-	1,169,289	-	-
less than 1 years	-	62,050	-	-
1 to 2 years	-	20,867	-	-
2 to 3 years	-	(86,741)	-	-
more than 3 years	-	18,243	-	-
<b>Total</b>	-	<b>2,331,497</b>	-	-

As at March 31, 2022	MSME	Others	Disputed dues- MSME	Disputed dues- others
Provisions	-	1,216,659	-	-
Not due	-	-	-	-
less than 1 years	-	345,911	-	-
1 to 2 years	-	1,784	-	-
2 to 3 years	-	36,495	-	-
more than 3 years	-	216	-	-
<b>Total</b>	-	<b>1,601,065</b>	-	-



**Prime Focus Technologies UK Limited**  
**Notes to Consolidated Financial Statements**

<b>23. EPS</b>			<i>in £</i>
<b>'Particulars</b>	<b>As at 31 Mar 2023</b>	<b>As at 31 Mar 2022</b>	
Net Profit/(loss) before exceptional items but after tax attributable to common stock shareholders for basic EPS (GBP) (A)	446,479	48,219	
Weighted average number of common stock shares outstanding during the year (for calculating basic EPS)(B)	252,015,110	252,015,110	
Weighted average number of common stock shares outstanding during the year (for calculating Diluted EPS)(B)	282,515,110	282,515,110	
<b>Earnings per share</b>			
Basic EPS (GBP) (C=A / B)	0.00	0.00	
Diluted EPS (GBP) (C=A / C)	0.00	0.00	
Nominal Value Per Share (GBP)	0.01	0.01	



Prime Focus Technologies UK Limited  
Notes to Consolidated Financial Statements

24 Related party disclosure:

(i) List of parties with whom transactions have taken place during the year

Prime Focus Limited - Ultimate Holding Company  
Prime Focus Technologies Limited- Holding Company  
Prime Focus MRAD FZ LLC - Fellow Subsidiary  
Prime Focus Cooperatief n.a. - Fellow Subsidiary  
Prime Focus Luxembourg S.A.R.L - 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  
De-Fi Media Limited- Fellow Subsidiary  
Prime Focus Technologies PTE Ltd- Fellow Subsidiary

(ii) Name and particulars of related party transactions:

		<i>in £</i>	
1) Holding Company		As at 31 Mar 2023	As at 31 Mar 2022
	Particulars		
a)	<b>Prime Focus Technologies Limited:</b>		
	Technical Charges	3,361,636	-
	Reimbursement of expenses (Net)	-	-
	Issue of Preference Shares	-	-
	Interest on Loan repayment	-	-
	Payment of Technical Charges	1,275,000	1,569,948
	Payment of Reimbursement of expenses	-	-
	<b>Balance outstanding at the year end- credit</b>	<b>2,086,636</b>	<b>-</b>
2)	<b>Fellow Subsidiary companies</b>		
	Particulars	As at 31 Mar 2023	As at 31 Mar 2022
a)	<b>Prime Focus 3D Cooperatief U.A. (Netherland)</b>		
	Advances Given	-	-
	Repayment against Advances Given	-	-
	<b>Balance outstanding at the year end- debit</b>	<b>-</b>	<b>-</b>
b)	<b>Prime Focus Luxembourg S.A.R.L</b>		
	Reimbursement of expenses received	-	-
	<b>Balance outstanding at the year end- debit</b>	<b>-</b>	<b>-</b>
c)	<b>Prime Focus World NV</b>		
	Short term loan taken	-	(26,000)
	<b>Balance outstanding at the year end-Credit</b>	<b>-</b>	<b>-</b>
d)	<b>Prime Focus Overseas Ltd</b>		
	Reimbursement of expenses received	-	-
	<b>Balance outstanding at the year end- debit</b>	<b>-</b>	<b>-</b>
e)	<b>De-Fi Media Limited</b>		
	Advances Given	-	-
	Balance transferred to PF World Ltd, Mauritius	-	454,000
	Short Term Loan Received	-	-
	<b>Balance outstanding at the year end- credit/debit</b>	<b>-</b>	<b>-</b>
f)	<b>Prime Focus World Ltd</b>		
	Advances Given	-	1,700,000
	Balance transferred from De-Fi Media	-	454,000
	Loan Repaid	450,000	-
	Received against Advance Given	-	-
	<b>Balance outstanding at the year end- debit</b>	<b>(2,029,000)</b>	<b>(2,479,000)</b>



Prime Focus Technologies UK Limited  
Notes to Consolidated Financial Statements

24 Related party disclosure:

Particulars	As at 31 Mar 2023	As at 31 Mar 2021
f) Prime Focus Technologies Inc		
Interest on Loan Taken	222,188	145,023
Short Term Loan Taken/ (Repaid)	550,191	1,690,814
Purchase of Asset	-	-
Exchange Loss	488,258	196,580
Interest on Loan repayment		
<b>Balance outstanding at the year end- Credit</b>	<b>5,654,721</b>	<b>4,394,084</b>
g) Prime Focus International Services UK Limited		
Interest on short term loan taken	-	(26,000)
Reimbursement of expenses repaid	348	-
<b>Balance outstanding at the year end- credit</b>	<b>(348)</b>	<b>-</b>
h) DNEG PLC		
Rendering of Services	1,117,658	-
Loan Repaid		
Advances Received - Net		
<b>Balance outstanding at the year end- Credit</b>	<b>1,117,658</b>	<b>-</b>
i) Prime Focus Technologies PTE Ltd		
Reimbursement of expenses Given	-	(119,015)
Loan Repaid	(355,000)	
Advances Received - Net		
<b>Balance outstanding at the year end- Credit</b>	<b>(33,382)</b>	<b>321,618</b>



**Prime Focus Technologies UK Limited**  
**Notes to Consolidated Financial Statements**

**24A. Segment Information**

**Operating Segments :**

- a. The segment information has been prepared in line with the review of operating results by chief operating decision maker (CODM) of Group i.e. the Group Chief Executive and Chairman.
- b. The Group is presently operating as an integrated post-production setup, providing technological digital solutions to its customers, which has been considered as representing a single segment.

**Geographical information**

The Group operates in three principal geographical areas – United Kingdom (Country of Domicile), Southafrica and United Arab Emirates

The Group's revenue from continuing operations from external customers by location of customers and information about its non-current assets by location of assets are detailed below:

Particulars	Sale of Services	
	Year ended Mar 31, 2023	Year ended Mar 31, 2022
United Kingdom	8,939,305	4,610,120
United States	828	60,919
ROW	4,384	452,757
<b>Total</b>	<b>8,944,516</b>	<b>5,123,797</b>

*in £*

Segment Non-current assets *	
Year ended Mar 31, 2023	Year ended Mar 31, 2022
4,502,134	4,670,780
-	-
-	-
<b>4,502,134</b>	<b>4,670,780</b>

\* Non-current assets exclude financial assets.

Two customer contributes individually to more than 10% of the group's total revenue for the year ended March 31, 2023 amounting to GBP 75,17,850 (previous year two customer contributed individually to more than 10% amounting to GBP 43,24,240)



Prime Focus Technologies UK Limited  
Notes to Consolidated Financial Statements

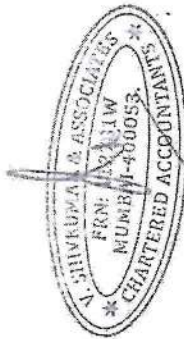
24B. Tax Reconciliation and details of unabsorbed tax losses

The income tax expenses for the year/ period can be reconciled to the accounting profit as follows:

	31-Mar-23		31-Mar-22	
	% of PBT	Amount	% of PBT	Amount
Profit/(loss) before tax		446,479		48,219
Tax using Company's domestic tax rate	19%	84,831	19%	9,162
Effect of:				
Non-deductible expenses		165,932		5,227
Effect of Tax Depreciation		(154,878)		142,044
Temporary Differences on which no Deferred Tax is created		-		-
NOL Carryover Available		(95,885)		(156,433)
Total Tax Expenses		(0)		-

The group has carry forward losses against which deferred tax asset has not been recognized.

	Expiry	As at Mar 31,	
		2023	2021
Unabsorbed business loss	Indefinite	5,814,277	4,644,142
		5,691,116	2,543,565



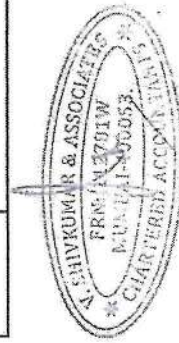


Notes to Consolidated Financial Statements

24C. ADDITIONAL INFORMATION PURSUANT TO PARA 2 OF GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

Sr No	Name of entity	Net Assets as % of consol net assets	Share in Profit / (loss)		Share in Other as % of consol profit / loss		Share in Total as % of consol profit / loss		Amount
			Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	Amount	as % of consol profit / loss	
1	Prime Focus Technologies UK Limited	-5155%	(2,779,463)	-106%	(474,720)	0%	-	-106%	(474,720)
2	Prime Post Europe Limited	-263%	(141,746)	0%	(981)	0%	-	0%	(981)
3	Prime Focus MEAD FZ LLC	4264%	2,298,695	-31%	(139,668)	0%	-	-31%	(139,668)
		-1155%	(622,514)	-138%	(615,369)	0%	-	-138%	(615,369)
	Add/(Less): Effects of Inter Company adjustments / eliminations	1255%	676,428	238%	1,061,848	0%	-	238%	1,061,848
	Less: Minority Interest in all subsidiaries	0%	-	0%	-	0%	-	0%	-
		100%	53,913	100%	446,479	0%	-	0%	446,479

in £



**Prime Focus Technologies UK Limited**  
**Notes to Consolidated Financial Statements**

**24D. Foreign currency risk**

*in £*

Particulars	Foreign currency Denomination	As at March 31, 2023			As at March 31, 2022		
		Foreign currency	Exch Rate	GBP	Foreign currency	Exch Rate	GBP
Financial assets	USD	32,362	0.81	26,165	10,243	0.7613	7,799
	AED	-	-	-	-	-	-
	EUR	453,689	0.88	398,815	201,844	0.8462	170,801
	INR	-	-	-	-	-	-
<b>Total</b>		<b>486,051</b>		<b>424,981</b>	<b>212,088</b>		<b>178,600</b>
Financial Liabilities	USD	135,760	0.81	109,768	506,989	0.7613	385,993
	AED	19,407	0.22	4,273	-	-	-
	EUR	-	-	-	-	-	-
	INR	-	-	-	-	-	-
<b>Total</b>		<b>155,167</b>		<b>114,041</b>	<b>506,989</b>		<b>385,993</b>
<b>Net Exposure</b>		<b>330,884</b>		<b>310,940</b>			<b>(207,393)</b>

5% appreciation/ depreciation of respective foreign currencies with respect to functional currency of the Company would result in decrease/ increase in the Company's profit before tax by approximately £15546.98 for the year ended March 31, 2023 [March 31, 2022: £-10369.65]. This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

**24E. Interest Rate Risk Management**

The Company is exposed to interest rate risk because in the Company borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The sensitivity analysis for exposure to interest rates on borrowings as at the end of the reporting period indicates that a 50 basis point increase in floating interest rates at the reporting date would have decreased equity and profit for the year/ period by £ 32530 and £ 12,395 for March 31, 2023 and March 31, 2022 and a 50 basis point decrease in floating interest rates at the reporting date would have increased equity and profit by the same amount respectively.



**Prime Focus Technologies UK Limited**  
**Notes to Consolidated Financial Statements**

Note: 25

1. 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	
	2023	2022	2023	2022
	Carrying Value		Fair Value	
<b>Financial Assets:</b>				
<b>Measured at amortised cost</b>				
Trade receivables	2,101,564	1,637,004	2,101,564	1,637,004
Cash and cash equivalents	712,991	2,494,890	712,991	2,494,890
Other financial assets	1,715,767	393,311	1,715,767	393,311
<b>Total financial assets measured at amortised cost</b>	<b>4,530,322</b>	<b>4,525,205</b>	<b>4,530,322</b>	<b>4,525,205</b>
<b>Financial Liabilities:</b>				
<b>Measured at amortised cost</b>				
Borrowings	6,442,646	6,777,624	6,442,646	6,777,624
Trade payables	2,331,497	1,601,066	2,331,497	1,601,066
Other financial liabilities	1,844,479	1,540,047	1,844,479	1,540,047
<b>Total financial liabilities measured at amortised cost</b>	<b>10,618,622</b>	<b>9,918,737</b>	<b>10,618,622</b>	<b>9,918,737</b>

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 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.

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

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.



**Cash and cash equivalents**

Cash is held with various financial institutions at March 31, 2023. The total amount of cash and cash equivalents as of March 31, 2023 is GBP 7,12,992 of which GBP 7,12,992 was held in bank.

**Trade Receivables**

The Company has a low credit risk in respect of its trade receivables, its principal customers being national broadcasters and major organisations which the Company has worked with for a number of years. However, as the Company grows its customer base and works with more independent producers it will experience an increased credit risk environment. The Company is also exposed to credit risk in respect of its cash and seeks to minimise this risk by holding funds on deposit with banks.

Two customers contribute individually to more than 10% of outstanding trade receivables as at March 31, 2023 amount GBP 18,34,293 (P.Y.- One customer- GBP GBP 37,57,859) and two customers contribute individually to more than 10% of unbilled revenue as that date amounting to GBP 15,36,001 (P.Y. - One customer- GBP 2,29,100).

**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.

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

**Liquidity Risk**

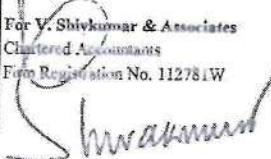
At 31 March 2023	Less than 1 year	More than 1 year	Total
<b>Financial Liabilities</b>			
Borrowings	6,442,646	862,071	7,304,717
Payables due to related party	675,751	-	675,751
Trade and other payables	2,331,497	-	2,331,497
Other financial liabilities	1,168,728	-	1,168,728
	<u>10,618,622</u>	<u>862,071</u>	<u>11,480,693</u>
<b>At 31 March 2022</b>	<b>Less than 1 year</b>	<b>More than 1 year</b>	<b>Total</b>
<b>Financial Liabilities</b>			
Borrowings	6,777,624	1,865,355	8,642,979
Payables due to related party	394,849	-	394,849
Trade and other payables	1,601,066	-	1,601,066
Other financial liabilities	1,145,198	-	1,145,198
	<u>9,918,737</u>	<u>1,865,355</u>	<u>11,784,092</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  
Firm Registration No. 112781W

  
V. Shivkumar  
(Proprietor)  
Membership No. 042673  
Mumbai, dated: May 22, 2023  
UDIN:- 23042673BGPWXV4215



For and on behalf of the Board of Directors

  
Ramakrishnan Sankaranarayanan  
(Director)  
Los Angeles, USA, dated: May 22, 2023