

Prime Focus Technologies UK Limited
Standalone Balance Sheet as at March 31, 2017

in £

Particulars	Notes	31-Mar-17	31-Mar-16	01-Apr-15
1. Non-current assets				
(a) Property, plant and equipment	8	1,97,357	1,51,616	2,22,916
(b) Capital work-in-progress		-	-	-
(c) Goodwill		-	-	-
(d) Other intangible assets		-	-	-
(e) Intangible assets under development		-	-	-
(g) Financial assets				
(i) Investments	9	23,36,143	23,36,143	23,36,143
(ii) Loans		-	-	-
(iii) Others	10	-	-	-
(h) Other non-current assets		-	-	-
(i) Deferred tax asset (net)		-	-	-
		25,33,500	24,87,759	25,59,059
2. Current assets				
(a) Inventories		-	-	-
(b) Financial assets				
(i) Trade receivables	11	5,35,661	3,51,754	1,68,638
(ii) Cash and cash equivalents	12	14,595	1,39,763	9,840
(iii) Other balances with Banks		-	-	-
(iv) Loans		-	-	-
(v) Others	13	22,41,297	5,65,999	4,17,484
(c) Other current assets	14	1,41,450	1,54,005	-
		29,33,004	12,11,521	5,95,962
Total assets		54,66,504	36,99,280	31,55,021
Equity				
(a) Equity share capital	3	0	0	0
(b) Other equity	4	17,73,575	(6,44,007)	(4,05,067)
Equity attributable to equity holders of the Parent		17,73,575	(6,44,007)	(4,05,067)
Non-controlling interests		-	-	-
		17,73,575	(6,44,007)	(4,05,067)
Liabilities				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	5	25,11,117	25,00,000	25,00,000
(ii) Others		-	-	-
(b) Deferred tax liability (net)		-	-	-
(c) Provisions		-	-	-
(d) Other non-current liabilities		-	-	-
		25,11,117	25,00,000	25,00,000
(2) Current liabilities				
(a) Financial liabilities				
(i) Borrowings	6	-	8,46,393	4,87,912
(ii) Current maturities of long-term borrowings	7D	8,341	-	-
(iii) Trade payables		10,00,591	1,94,320	1,07,658
(iv) Others	7C	1,58,074	8,02,096	4,63,220
(b) Provisions	7B	-	-	-
(c) Current tax liability		-	-	-
(d) Other current liabilities	7A	14,806	478	1,298
		11,81,812	18,43,287	10,60,088
Total equity and liabilities		54,66,504	36,99,280	31,55,021

See accompanying notes to standalone financial statements 1-23

In Terms of 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
Standalone Statement of Profit and Loss Account for the year ended March 31, 2017

in £

Sr No.	Particulars	Notes	2016-17	2015-16
1	Income from operations			
	Net sales / income from operations		22,63,870	6,45,606
	Other operating income	15	28,028	9,562
	Total income from operations		22,91,899	6,55,167
2	Expenses			
	Employee benefits expense	16	8,08,603	55,172
	Technician fees		-	-
	Technical service cost	17	3,59,871	1,67,098
	Depreciation and amortisation expense	8	51,427	77,237
	Other expenditure (net)	19	4,92,672	3,46,764
	Exchange loss (net)	18	44,861	37,037
	Total Expenses		17,57,435	6,83,308
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)		5,34,463	(28,141)
4	Other income:			
	a) Exchange gain (net)		-	-
	b) Others (net)		-	-
5	Profit from ordinary activities before finance costs and exceptional Items (3 + 4)		5,34,463	(28,141)
6	Finance costs	20	6,37,032	2,04,800
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional Items (5 - 6)		(1,02,568)	(2,32,941)
8	Exceptional items		-	-
9	Profit / (Loss) from ordinary activities before tax (7 - 8)		(1,02,568)	(2,32,941)
10	Tax expense		-	6,000
11	Net Profit / (Loss) from ordinary activities for the period (9 - 10)		(1,02,568)	(2,38,941)
12	Extraordinary items (net of tax expense Rs. Nil)		-	-
13	Net (Loss) / Profit after tax and before minority (11 ± 12)		(1,02,568)	(2,38,941)
12	Minority interest		-	-
13	Net Profit / (Loss) for the period (11 - 12)		(1,02,568)	(2,38,941)
14	Other comprehensive income (net of tax)		-	-
15	Total comprehensive income (net of tax) (13 + 14)		(1,02,568)	(2,38,941)
	Earnings per equity share			
	Basic	21	(1,02,568)	(2,38,941)
	Diluted	21	(0)	(2,38,941)

See accompanying notes to standalone financial statements

1-23

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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
Standalone Cash flow statement for the year ended March 31, 2017

in £

	Year Ended 31 March 2017	Year Ended 31 March 2016
Cash flow from Operating activities		
Profit before tax	(1,02,568)	(2,32,941)
Non-cash adjustments to reconcile profit before tax to net cash flows :		
Depreciation and amortization expense	51,427	77,237
Interest income	(22,222)	(7,557)
Finance costs	6,35,576	2,03,741
Operating profit before working capital changes	5,62,213	40,480
Movements in working capital :		
(Increase) in Inventory	-	-
Decrease / (Increase) in trade receivables	(1,88,503)	(1,83,116)
(Increase) in other Financial assets	(16,99,023)	(1,78,313)
(Increase) in other assets	12,555	(1,54,005)
(Decrease) / Increase in trade payables	7,89,731	79,423
(Increase) in other Financial liabilities	(6,44,023)	3,38,876
(Decrease) / Increase in other current liabilities	14,328	(819)
(Decrease) in other long-term liabilities	-	-
Increase in long-term provisions	-	-
Increase in short-term provisions	-	-
Cash generated from operations	(11,52,722)	(57,474)
Direct taxes (paid) / refund received	-	(6,000)
Net cash flow from operating activities (A)	(11,52,722)	(63,474)
Cash flow from Investing activities		
Purchase/Sale of Fixed Assets (net)	(97,168)	(5,937)
Purchase/Sale of Investments (net)	-	-
Interest received	22,222	7,557
Net cash flow (used in) Investing activities (B)	(74,947)	1,620

Cash flow from financing activities		
Proceeds from issuance of Preference shares	16,95,000	-
Proceeds received from/ (repayment) of Non Current borrowings (net)	19,458	-
Proceeds/(Repayment) from/of short term borrowings from/to related party	(21,242)	3,58,481
Interest paid	(6,35,576)	(2,03,741)
Net Cash flow (used in) / generated from Financing activities (C)	10,57,640	1,54,740
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(1,70,029)	92,886
Cash and Cash Equivalents at the Beginning of the year	1,39,763	9,840
Effect of foreign exchange translation	44,861	37,037
Cash and Cash Equivalents at the End of the year	14,595	1,39,763
Notes:		
1) Components of cash and cash equivalents		
a) Cash on hand	210	210
b) Balance in banks - current accounts	14,385	1,39,553
Cash and cash equivalents (Refer note 17)	14,595	1,39,763
2) Non-cash transaction:		
16,95,00,000 Preference shares issued at a face value to Holding Company on conversion of Short Term Loan £ 8,25,151 (Previous year:- ₹ Nil)		

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:

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 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 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.

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 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.

Standalone Statement of Changes in Equity for the year ended March 31, 2017

A. Equity Share Capital		in £
Particulars	Total	
As at April 1, 2015	0.01	
Changes in Equity Share Capital during the year	-	
As at March 31, 2016	0.01	
Changes in Equity Share Capital during the year	-	
As at March 31, 2017	0.01	

B. Other Equity		Attributable to owners of the Company					in £	
Particulars	Reserves and Surplus			Other Reserves		Preference Shares	Total	
	Debtore Redemption Reserve	Securities Premium	Balance in the Statement of Profit and Loss	Foreign Currency Translation Reserve	ESOP Reserve	Optionally Convertible Redeemable shares		
Balance as at March 31, 2015	-	-	(4,05,067)	-	-	-	(4,05,067)	
Addition during the year	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	(2,38,940)	-	-	-	(2,38,940)	
Exchange rate fluctuation during the year	-	-	-	-	-	-	-	
Balance as at the March 31, 2016	-	-	(6,44,007)	-	-	-	(6,44,007)	
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	-	-	(1,02,568)	-	-	-	(1,02,568)	
Addition during the year	-	-	-	-	-	-	-	
Balance as at March 31, 2017	-	-	(7,46,575)	-	-	-	(7,46,575)	

3. Equity Share capital

in £

	For the year ended March 31, 2017		For the year ended March 31, 2016	
	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

	For the year ended 2017		For the year ended 2016	
	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

	For the year ended 2017		For the year ended 2016	
	No of Shares	Amount	No of Shares	Amount
Prime Focus Technologies Limited	1	100%	1	100%

4. Other Equity

in £

	For the year ended March 31, 2017	For the year ended March 31, 2016
Surplus in the statement of profit and loss		
Balance as per last financial statements	(6,44,007)	(4,05,067)
(Loss)/Profit for the year	(1,02,568)	(2,38,941)
Net surplus in the statement of profit and loss	(7,46,576)	(6,44,007)
Issued, subscribed and paid-Up:		
Optionally Convertible Redeemable shares **	25,20,151	-
	25,20,151	-
Total	17,73,575	(6,44,007)

**** Note :-**

In current year Loan from Prime Focus Technologies Limited aggregating £ 825,151 is converted into 0% optionally convertible Preference shares of face value 0.01 each and Fresh 0% Optionally convertible Preference shares of face value 0.01 each aggregating £ 16,95,000 have been issued.

5A. Long-Term Borrowings

in £

	For the year ended March 31, 2017	For the year ended March 31, 2016
Finance Lease Obligations	11,117	-
Trade Deposits		
Total	11,117	-

**** Note :****Lease obligations towards assets acquired under finance leases:**With in one year

Total minimum lease payments outstanding	9,241
Future interest on outstanding lease payments	900
Present value of minimum lease payments	8,341

Later than one year and later than five years

Total minimum lease payments outstanding	11,552
Future interest on outstanding lease payments	463
Present value of minimum lease payments	11,089

Finance lease obligations are secured by hypothecation of Computer Software taken on lease. Rate of interest is 5.51% p.a. with maturity profile of 3 years.

5B. Other long-term liabilities

	For the year ended March 31, 2017	For the year ended March 31, 2016
Promissory Note issued to PFL PLC*	25,00,000	25,00,000
Trade Deposits		
Total	25,00,000	25,00,000

*Promissory Note is repayable over a period of 3 years as per a schedule with the rate of interest @6% p.a.

6. Financial Liabilities - Borrowings

in £

	For the year ended March 31, 2017	For the year ended March 31, 2016
Secured		
Other Loans & Advances		
Invoice discounting*	-	-
Unsecured		
Other Loans & Advances		
Short term demand loan from holding company (Refer note 20)	-	8,46,393
	-	8,46,393

7 A. Other current liabilities

	For the year ended March 31, 2017	For the year ended March 31, 2016
SDL Control	607	477
HMRC(PAYE Tax)	-	-
VAT	14,199	-
	14,806	477

7 B. Provisions

	For the year ended March 31, 2017	For the year ended March 31, 2016
Accrued salaries and benefits	-	-
	-	-

7 C. Financial Liabilities - Others

	For the year ended March 31, 2017	For the year ended March 31, 2016
Other Payable	41,152	5,58,872
Advances from group cos	1,13,710	1,38,224
Deferred Revenue	3,211	1,05,000
	1,58,074	8,02,096

7 D. Current maturities of long-term borrowings

	For the year ended March 31, 2017	For the year ended March 31, 2016
Current maturity of Finance Lease	8,341	-
	8,341	-

8. Tangible assets

in £

Equipments**Current Year****Gross block**

As at April 1, 2016 4,31,291

Additions 97,168

Deduction -

As at Mar 31, 2017 **5,28,459****Depreciation**

As at April 1, 2016 2,79,675

For the year 51,427

Deduction -

As at Mar 31, 2017 **3,31,102****Net block****As at Mar 31, 2017** **1,97,357****Previous Year**

Gross block

As at April 1, 2015 4,25,354

Additions 5,937

Deduction -

As at Mar 31, 2016 **4,31,291****Depreciation**

As at April 1, 2015 2,02,438

For the year 77,237

Deduction -

As at Mar 31, 2016 **2,79,675****Net block****As at Mar 31, 2016** **1,51,616**

Prime Focus Technologies UK Ltd
Notes to Financial Statements

9. Investments

in £

	As at March 31,	
	2017	2016
Long Term, At Cost, fully paid up Trade Investment (unquoted) In shares of Subsidiary Companies		
100 Shares of Prime Post (Europe) Limited £1 each	23,36,143	23,36,143
Total	23,36,143	23,36,143

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, Digitization, 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 (PPEL) (Target). Prime Focus Technologies UK Limited (PFTUK) (Company) has entered into the Term Sheet dated October 14, 2014 to acquire PFLP's Post Productions Business carried out in UK and Europe. As per the terms 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 & Europe will now be carried out by it on behalf of PFTUK till the

10. Long Term Loans and advances**in £**

	For the year ended March 31, 2017	For the year ended March 31, 2016
Unsecured - considered good		
Long Term Loans and advances	-	-
Total	<u>-</u>	<u>-</u>

11. Trade receivables**in £**

	For the year ended March 31, 2017	For the year ended March 31, 2016
Debts outstanding for a period exceeding six months		
Considered good	-	-
Considered doubtful	-	-
Other debts		
Considered good	71,639	71,639
Other Debts		
Considered good	4,64,022	2,80,114
Total	5,35,661	3,51,754

12. Cash and Bank Balances**in £**

	For the year ended March 31, 2017	For the year ended March 31, 2016
Cash and Cash Equivalents		
Cash on Hand	210	210
Balances with Bank- Current Accounts	14,385	1,39,553
	14,595	1,39,763

13. Current Financial Assets - Others**in £**

	For the year ended March 31, 2017	For the year ended March 31, 2016
Unsecured - considered good		
Deposits	50,045	-
Advances to group cos	20,29,190	5,45,561
Unbilled Revenue	1,49,362	-
Others	12,700	20,438
	22,41,297	5,65,999

14. Other Current Assets

in £

	For the year ended March 31, 2017	For the year ended March 31, 2016
Prepaid Expenses	1,41,450	1,54,005
	1,41,450	1,54,005

15. Other income in £

	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Income	22,222	7,557
Miscellaneous income	5,807	2,005
	28,028	9,562

16. Employee benefits expense

	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries, staff remuneration and bonus	8,08,270	47,864
Staff welfare	333	7,308
	8,08,603	55,172

17. Technical service cost

	For the year ended March 31, 2017	For the year ended March 31, 2016
Technical charges	3,59,871	1,67,098
	3,59,871	1,67,098

18. Exchange loss

	For the year ended March 31, 2017	For the year ended March 31, 2016
Exchange Loss (net)	44,861	37,037
	44,861	37,037

19. Other expenditure

	For the year ended March 31, 2017	For the year ended March 31, 2016
Communication Expenses	2,477	3,776
Admin Fees	15,971	6,991
Audit Fees	-	5,000
Professional Fees	2,54,856	1,74,562
Rent and Rates	283	6,081
Repairs and Maintenance	12,704	-
Selling And Marketing Expenses	1,43,681	1,30,895
Travel and Accommodation	15,881	1,339
Gas and Electric	2,500	-
Software Expenses	-	16,849
Insurance expenses	9,704	-
Other Exp	34,614	1,271
	4,92,672	3,46,764

20. Finance costs

	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest on borrowings	6,35,576	2,03,741
Bank charges	1,456	1,059
	6,37,032	2,04,800

21. EPS

	2017	2016
Net Profit/(loss) before exceptional items but after tax attributable to common stock shareholders for basic EPS (GBP) (A)	(1,02,568)	(2,38,941)
Weighted average number of common stock shares outstanding during the year (for calculating basic EPS)(B)	1	1
Weighted average number of common stock shares outstanding during the year (for calculating Diluted EPS)(B)	6,99,39,382	1
Earnings per share		
Basic EPS (GBP) (C=A / B)	(1,02,568)	(2,38,941)
Diluted EPS (GBP) (C=A / B)	(0)	(2,38,941)
Nominal Value Per Share (GBP)	0.01	0.01

22 Related party disclosure:

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

Prime Focus Technologies Private 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 - Formerly known as Meanwhile Content - Wholly Owned Subsidiary
 Prime Focus North America Inc- Fellow Subsidiary
 De-Fi Media Limited- Fellow Subsidiary

(ii) Name and particulars of related party transactions:

1) Holding Company

	2017	2016
a) Prime Focus Technologies Private Limited:		
Technical Charges	-	93,608
Reimbursement of expenses (Net)	14,437	14,787
Technical Service Charges Repaid	1,56,741	-
Loans received	-	5,25,000
Loans repaid	8,25,151	59,038
Interest on Loan	33,232	53,741
Interest on Loan repayment	13,411	(82,354)
Balance outstanding at the year end- credit	55,500	8,46,393

2) Fellow Subsidiary companies

	2017	2016
b) Prime Focus World NV		
Advances Received / (Given) - Net	50,000	-
Repayment against Advances Recd	50,000	-
Balance outstanding at the year end- debit	-	-
c) Prime Focus Overseas Ltd		
Reimbursement of expenses (Net)	-	-
Balance outstanding at the year end- debit	1,879	1,879
d) Prime Focus World Ltd		
Reimbursement of expenses (Net)	-	-
Balance outstanding at the year end- debit	2,840	2,840
e) Prime Focus Technologies Inc		
Reimbursement of expenses (Net)	9,771	-
Short Term Loan Taken	2,11,989	3,06,984
Repayment of Loan taken	2,11,989	3,60,068
Loan Given	9,44,178	-
Loan Given Received	1,02,456	-
Interest on Loan (Net)	20,592	7,502
Interest on Loan repayment	1,630	-
Balance outstanding at the year end- debit	8,99,006	44,833
f) Prime Focus International Services UK Limited		
Advances Received / (Given) - Net	2,85,000	15,000
Repayment against Advances Recd	3,35,000	-
Balance outstanding at the year end- credit	81,224	1,31,224
g) De-Fi Media Limited		
Advances Received / (Given) - Net	-	7,000
Advances repaid / received back (Net)	-	1,00,000
Balance outstanding at the year end- credit	7,000	7,000
h) Prime Focus Coopertief u.a.		
Reimbursement of expenses (Net)	-	-
Balance outstanding at the year end- debit	12,810	12,810
i) Prime Focus Luxembourg SARL		
Reimbursement of expenses (Net)	-	-
Balance outstanding at the year end- debit	5,566	5,566
j) Prime Post Europe Limited - Formerly known as Meanwhile Content		
Advances received / given (Net)	-	40,000
Advances repaid / received back (Net)	-	4,32,957
Sale of Goods/Services	-	84,678
Reimbursement of expenses (Net)	6,30,192	-
Balance outstanding at the year end- debit	10,95,826	4,65,634
k) Prime Focus North America Inc		
Advances received / given (Net)	-	2,60,000
Advances repaid / received back (Net)	-	2,60,000
Balance outstanding at the year end- debit	-	-

23. Previous Year Figures

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

Notes to First time adoption

No IND AS Adustment applicable to PFT UK LTD

I. 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	
	2017	2016	2017	2016
	Carrying Value		Fair Value	
in £				
Financial Assets:				
Measured at amortised cost				
Trade receivables	5,35,661	3,51,754	5,35,661	3,51,754
Cash and cash equivalents	14,595	1,39,763	14,595	1,39,763
Other financial assets	22,41,297	5,65,999	22,41,297	5,65,999
Total financial assets measured at amortised cost	27,91,554	10,57,516	27,91,554	10,57,516
Financial Liabilities:				
Measured at amortised cost				
Borrowings	8,341	8,46,393	8,341	8,46,393
Trade payables	10,00,591	1,94,320	10,00,591	1,94,320
Other financial liabilities	1,58,074	8,02,096	1,58,074	8,02,096
Total financial liabilities measured at	11,67,006	18,42,809	11,67,006	18,42,809

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

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

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, 2017. The total amount of cash and cash equivalents as of March 31, 2017 is Rs. 14,595, of which Rs. 14,385 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

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

Liquidity Risk

At 31 March 2017	Less than 3 months	Between 3 and 12 months	More than 12 months	Total
Non-current financial assets				
Investments	-	-	23,36,143	23,36,143
Other financial assets	-	-	-	-
Current financial assets				
Trade and other receivables	6,77,111	-	-	6,77,111
Receivables due from related parties	20,29,190	-	-	20,29,190
Other financial assets	2,12,107	-	-	2,12,107
Cash and cash equivalents	14,595	-	-	14,595
	29,33,004	-	23,36,143	52,69,147
Non-current financial liabilities				
Borrowings	-	-	25,11,117	25,11,117
Other financial liabilities	-	-	-	-
Class B convertible redeemable preference	-	-	-	-
Class B derivatives	-	-	-	-
Current financial liabilities				
Borrowings	6,213	2,128	-	8,341
Payables due to related party	1,13,710	-	-	1,13,710
Trade and other payables	10,15,397	-	-	10,15,397
Other financial liabilities	44,364	-	-	44,364
	11,79,684	2,128	25,11,117	36,92,929
At 31 March 2016	Less than 3 months	Between 3 and 12 months	More than 12 months	Total
Non-current financial assets				
Investments	-	-	23,36,143	23,36,143
Other financial assets	-	-	-	-
Current financial assets				
Trade and other receivables	5,05,759	-	-	5,05,759
Receivables due from related parties	5,45,561	-	-	5,45,561
Other financial assets	20,438	-	-	20,438
Cash and cash equivalents	1,39,763	-	-	1,39,763
	12,11,521	-	23,36,143	35,47,664
Non-current financial liabilities				
Borrowings	-	-	25,00,000	25,00,000
Other financial liabilities	-	-	-	-
Class B convertible redeemable preference	-	-	-	-
Class B derivatives	-	-	-	-
Current financial liabilities				
Borrowings	8,46,393	-	-	8,46,393
Payables due to related party	1,38,224	-	-	1,38,224
Trade and other payables	1,94,798	-	-	1,94,798
Other financial liabilities	6,63,872	-	-	6,63,872
	18,43,287	-	25,00,000	43,43,287