

Prime Focus Technologies UK Limited

Standalone Financial Statements for the Year Ended

31 March, 2019

Prime Focus Technologies UK Limited
Standalone Balance Sheet as at March 31, 2019

in ₹

Particulars	Notes	As at 31 Mar 2019	As at 31 Mar 2018
1. Non-current Assets			
(a) Property, plant and equipment	4	2,991,858	144,822
(b) Capital work-in-progress		-	-
(c) Goodwill		-	-
(d) Other intangible assets	4A	14,238	17,587
(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		5,392,284	2,548,597
2. Current assets			
(a) Inventories		-	-
(b) Financial assets			
(i) Trade receivables	6	350,601	216,156
(ii) Cash and cash equivalents	7 a	43,721	26,916
(iii) Bank balances other than (ii) above	7 b	-	-
(iv) Loans		-	-
(v) Other financial assets	8	1,520,692	2,178,461
(c) Other current assets	9	430,108	138,802
Total Current Assets		2,345,122	2,560,335
Total assets		7,737,407	5,108,931
Equity			
(a) Equity share capital	10	0.01	0.01
(b) Other equity	11	473,657	1,989,590
Equity attributable to owners of the Company		473,657	1,989,590
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	2,901,925	2,279
(ii) Other financial liabilities	13	-	-
(b) Deferred tax liability (net)		-	-
(c) Provisions	15	-	-
(d) Other non-current liabilities	16	-	-
Total Non-current liabilities		2,901,925	2,279
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	3,987,331	2,496,719
(ii) Trade payables		139,892	473,305
(iii) Other financial liabilities	14	234,602	127,131
(b) Provisions	15	-	-
(c) Current tax liabilities (net)		-	-
(d) Other current liabilities	16	-	19,907
Total current liabilities		4,361,825	3,117,062
Total equity and liabilities		7,737,407	5,108,931

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

For and on behalf of the Board of Directors

sd/-

V. Shivkumar

(Proprietor)

Membership No.042673

Place: Mumbai

Date:

sd/-

Ramakrishnan Sankaranarayanan

(Director)

Mumbai, dated:

Prime Focus Technologies UK Limited

Standalone Statement of Profit and Loss Account for the year ended March 31, 2019

in £

Particulars	Notes	Year ended Mar 31, 2019	Year ended Mar 31, 2018
Income			
Revenue from operations	18	318,251	1,120,444
Other income	19	-	52,341
Total income from operations		318,251	1,172,786
Expenses			
Employee benefits expense	20	478,591	265,201
Employee stock option expense		-	-
Technical service cost		375,808	197,837
Depreciation and amortisation expense	4 & 4A	73,549	49,015
Other expenditure	21	626,115	595,583
Finance costs	22	241,870	150,678
Exchange loss (net)		38,251	-
Total Expenses		1,834,184	1,258,315
Profit / (Loss) before tax		(1,515,933)	(85,529)
Tax expense			
Current tax	22A	-	108
Deferred tax		-	-
Total tax expense		-	108
Profit / (Loss) for the year		(1,515,933)	(85,637)

Other comprehensive income

	Notes	For the year ended March 2019	For the year ended March 2018
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		(1,515,933)	(85,637)
Earning per equity share of face value of £ 0.1 each			
(a) Basic (in £)		(0.01)	(85,637.07)
(b) Diluted (in £)		(0.01)	(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

For and on behalf of the Board of Directors

sd/-

V. Shivkumar

(Proprietor)

Membership No.042673

Place: Mumbai

sd/-

Ramakrishnan Sankaranarayanan

(Director)

Mumbai, dated:

Prime Focus Technologies UK Limited
Standalone Cash Flow Statement for the year ended March 31, 2019

in £

Particulars	Year ended Mar 31, 2019	Year ended Mar 31, 2018
Cash flow from Operating activities		
Profit before tax	(1,515,933)	(85,529)
Non-cash adjustments to reconcile profit before tax to net cash flows :		
Depreciation and amortization expense	73,549	49,015
Sundry debit balances / bad debts written off / written back (net)	5,907	-
Interest income	-	(40,968)
Finance costs	48,769	131,509
Provision for Direct Taxes	-	(108)
Operating profit before working capital changes	(1,387,708)	53,919
Movements in working capital :		
(Increase)/(Decrease) in non current other Financial assets	-	-
(Increase)/Decrease in Inventory	-	192,824
(Increase)/(Decrease) in trade receivables	(134,445)	12,792
(Increase)/(Decrease) in current other Financial assets	657,769	-
(Increase)/(Decrease) in other current assets	(291,306)	(10,052)
(Decrease)/Increase in trade payables	(351,371)	(376,533)
(Decrease)/Increase in Short Term Borrowings	1,490,612	2,496,719
(Decrease)/Increase in other Financial liabilities	107,471	4,991
(Decrease)/Increase in other current liabilities	(19,907)	(39,173)
(Decrease)/Increase in other long-term liabilities	-	-
(Decrease)/Increase in long-term provisions	-	-
(Decrease)/Increase in short-term provisions	-	-
Cash generated from operations	71,113	2,335,487
Direct taxes (paid) / refund received	-	-
Net cash flow from operating activities (A)	71,113	2,335,487
Cash flow from Investing activities		
Purchase/Sale of Fixed Assets (net)	(2,905,185)	(17,415)
Interest received	-	40,968
Net cash flow (used in) Investing activities (B)	(2,905,185)	23,553

Cash flow from financing activities		
Proceeds from issuance of Preference shares	-	305,000
Proceeds received from/ (repayment) of Non Current borrowings (net)	2,899,646	(2,508,838)
Interest paid	(48,769)	(131,509)
Net Cash flow (used in) / generated from Financing activities (C)	2,850,877	(2,335,347)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	16,805	23,694
Cash and Cash Equivalents at the Beginning of the year	26,916	14,595
Effect of foreign exchange translation	-	(11,373)
Cash and Cash Equivalents at the End of the year	43,721	26,916
Notes:		
1) Components of cash and cash equivalents		
a) Cash on hand	-	-
b) Balance in banks - current accounts	43,721	26,916
Cash and cash equivalents (Refer note 7)	43,721	26,916

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

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

sd/-
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.

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 ME Limited.

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%
Prime Focus MEAD FZ LLC	Post Production Services	Abu Dhabi, U.A.E.	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. 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.

Statement of Changes in Equity for the year ended March 31, 2019

A. Equity Share Capital in £

Particulars	Total
As at April 1, 2017	0.01
Changes in Equity Share Capital during the year	-
As at March 31, 2018	0.01
Changes in Equity Share Capital during the year	-
As at March 31, 2019	0.01

B. Other Equity

Particulars	Attributable to owners of the Company					Preference Shares Optionally Convertible Redeemable shares	Total
	Reserves and Surplus			Other Reserves			
	Debenture Redemption Reserve	Securities Premium	Balance in the Statement of Profit and Loss	Foreign Currency Translation Reserve	ESOP Reserve		
Balance as at March 31, 2017	-	-	746,576	-	-	(2,520,151)	(1,773,575)
Addition during the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	88,985	-	-	(305,000)	(216,015)
Exchange rate fluctuation during the year	-	-	-	-	-	-	-
Balance as at March 31, 2018	-	-	835,562	-	-	(2,825,151)	(1,989,589)
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	-	-	1,515,933	-	-	-	1,515,933
Addition during the year	-	-	-	-	-	-	-
Balance as at March 31, 2019	-	-	2,351,495	-	-	(2,825,151)	(473,656)

Prime Focus Technologies UK Limited
Notes to Financial Statements

Particulars	For the year ended		For the year ended	
	March 31, 2019		March 31, 2018	
	No of Shares	Amount	No of Shares	Amount
Authorized shares:				
Equity Shares of £ 0.01 each	1	0.01	1	0.01
		0.01		0.01
Issued, subscribed and paid-Up:				
Equity Shares of £ 0.01 each	1	0.01	1	0.01
		0.01		0.01

Movement in equity share capital

Particulars	For the year ended		For the year ended	
	2019		2018	
	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		For the year ended	
	2019		2018	
	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	Office Equipment	Computer	Leasehold Improvement	Total
Current Year				
Gross block				
As at April 1, 2018	326,687	135,877	59,752	522,316
Additions		2,905,185	-	2,905,185
Translation		8,600		8,600
Deduction	-		-	-
As at Mar 31, 2019	326,687	3,049,662	59,752	3,436,101
Depreciation				
As at April 1, 2018	272,486	102,788	2,220	377,494
For the year	22,381	33,221	14,599	70,200
Translation		(3,451)		(3,451)
Deduction	-		-	-
As at Mar 31, 2019	294,867	132,557	16,819	444,243
Net block				
As at Mar 31, 2019	31,821	2,917,105	42,933	2,991,858
Previous Year				
Gross block				
As at April 1, 2017	313,467	135,877	55,557	504,901
Additions	13,220		4,195	17,415
Deduction	-		-	-
As at Mar 31, 2018	326,687	135,877	59,752	522,316
Depreciation				
As at April 1, 2017	224,230	102,788	1,461	328,479
For the year	48,256		759	49,015
Deduction	-		-	-
As at Mar 31, 2018	272,486	102,788	2,220	377,494
Net block				
As at Mar 31, 2018	54,201	33,089	57,531	144,822

Prime Focus Technologies UK Limited
Notes to Financial Statements

5.Intangible assets **in £**

Particulars	Software	Total
<u>Current Year</u>		
Gross block		
As at April 1, 2018	23,558	23,558
Additions	-	-
Deduction	-	-
As at Mar 31, 2019	23,558	23,558
Depreciation		
As at April 1, 2018	5,972	5,972
For the year	3,348	3,348
Deduction	-	-
As at Mar 31, 2019	9,319	9,319
Net block		
As at Mar 31, 2019	14,238	14,238
<u>Previous Year</u>		
Gross block		
As at April 1, 2017	23,558	23,558
Additions	-	-
Deduction	-	-
As at Mar 31, 2018	23,558	23,558
Depreciation		
As at April 1, 2017	2,623	2,623
For the year	3,348	3,348
Deduction	-	-
As at Mar 31, 2018	5,971	5,971
Net block		
As at Mar 31, 2018	17,587	17,587

Prime Focus Technologies UK Limited
Notes to Financial Statements

5. Investments

in £

	As at 31 Mar 2019	As at 31 Mar 2018
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 2019	As at 31 Mar 2018
Current		
Considered good	350,601	216,156
Considered doubtful	-	-
	350,601	216,156
Allowance for doubtful receivables	-	-
	350,601	216,156

7. Cash and bank balances

	<i>in £</i>	
	As at 31 Mar 2019	As at 31 Mar 2018
a. Cash and cash equivalents		
Cash on hand (refer note below)	-	-
Bank balances		
In current Accounts	43,721	26,916
	43,721	26,916
b. Balances other than (a) above		
Other bank balances		
In deposits*	-	-
	-	-

8. Other financial assets

	<i>in £</i>	
	As at 31 Mar 2019	As at 31 Mar 2018
Non-current		
Deposits	50,045	50,045
Other loans and advances	-	-
	50,045	50,045
Current		
Unbilled revenue	77,798	215,500
Advance to fellow subsidiaries	1,442,894	1,962,961
Deposits	-	-
Other loans and advances	-	-
	1,520,692	2,178,461

9. Other Assets

	<i>in £</i>	
	As at 31 Mar 2019	As at 31 Mar 2018
Non-current (Unsecured)		
Capital advances	-	-
Advance payment of taxes (net of provision for tax)	-	-
	-	-
Current (Unsecured)		
Other loans and advances	351,328	8,376
Prepaid expenses	73,802	107,111
Advance payment of taxes (net of provision for tax)	4,979	23,315
	430,108	138,802

10. Equity Share Capital

	<i>in £</i>	
	As at 31 Mar 2019	As at 31 Mar 2018
Authorised share capital:	0.01	0.01
Issued, subscribed and paid-Up:	0.01	0.01
Total	0.01	0.01

11 Other equity

	<i>in £</i>	
	As at 31 Mar 2019	As at 31 Mar 2018
Preference shares		
As at last balance sheet	2,825,151	2,520,151
Movement during the year	-	305,000
	2,825,151	2,825,151
Other comprehensive income		
As per last balance sheet	(835,561)	(746,576)
Movement during the year	(1,515,933)	(88,985)
	(2,351,494)	(835,561)
	473,657	1,989,590

Non-Current Liabilities
12. Borrowings (Non - Current)

	<i>in £</i>	
	As at 31 Mar 2019	As at 31 Mar 2018
Term loans (secured)		
Others	-	-
(Refer note ____ below)		
Other loan and advances (secured)		
Finance lease obligation	2,901,925	2,279
(Refer note ____ below)		
Other loan and advances (unsecured)		
Loan from related party	-	-
(Refer note ____ below)		
Total	2,901,925	2,279

13. Other Financial liabilities (Non current)

	<i>in £</i>	
	As at 31 Mar 2019	As at 31 Mar 2018
Deferred rent	-	-
Other long term payables	-	-
Deferred consideration for acquisition of subsidiaries and business	-	-
	-	-

14. Other Financial liabilities (Current)

	<i>in £</i>	
	As at 31 Mar 2019	As at 31 Mar 2018
Current maturity of long term borrowings		
Term loans (secured)		
from banks	-	-
(Refer note (14.h), (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	8,810
(Refer note (14.t))		
	8,810	8,810
Deferred consideration for acquisition of business	-	-
Interest payable to group companies	205,131	49
Advance from fellow subsidiaries	-	118,272
Capital Creditors	-	-
Deferred rent	-	-
Other financial liabilities	20,660	-
	234,602	127,131

15. Provisions

	<i>in £</i>	
	As at 31 Mar 2019	As at 31 Mar 2018
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

	<i>in £</i>	
	As at 31 Mar 2019	As at 31 Mar 2018
Non-Current		
Deposit received from customers	-	-
Deferred revenue	-	-
	-	-
Current		
Accrued salaries and benefits	-	13,452
Deferred revenue	-	6,455
Other payables	-	-
	-	19,907

17 Borrowings (Current)

	<i>in £</i>	
	As at 31 Mar 2019	As at 31 Mar 2018
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)		
Loan from fellow subsidiary	3,987,331	-
	3,987,331	2,496,719

18 Revenue from operations

	<i>in £</i>	
	Year ended Mar 31, 2019	Year ended Mar 31, 2018
Sale of services	318,251	1,120,444
Total Revenue from Operations	318,251	1,120,444

19 Other income

	<i>in £</i>	
	Year ended Mar 31, 2019	Year ended Mar 31, 2018
Interest income:		
Bank deposits	-	-
on income tax refunds	-	-
Others	-	40,968
Gain on sale of investment	-	-
Net gain on sale of property, plant and equipment	-	-
Others	-	11,373
Total Other Income	-	52,341

20 Employee benefits expense	<i>in £</i>	
	Year ended Mar 31, 2019	Year ended Mar 31, 2018
Salaries and wages	473,185	257,408
Contribution to provident fund and other funds (refer note 34)	-	-
Staff welfare expenses	5,406	7,793
Total Employee benefits expense	478,591	265,201

21 Other expenses	<i>in £</i>	
	Year ended Mar 31, 2019	Year ended Mar 31, 2018
Rent	116,420	102,240
Communication cost	16,500	13,477
Electricity	7,266	4,346
Legal and Professional fees	87,514	200,930
Rates and taxes	40,953	37,779
Traveling and conveyance	57,680	12,716
Repairs and maintenance	103,215	27,077
Insurance cost	6,031	5,775
House keeping	5,475	5,599
Sales promotion expenses	181,906	162,791
Management fees	-	8,403
Consumables- Tapes	-	-
Miscellaneous expenses	(1,844)	8,016
Provision for doubtful debts	-	-
Sundry debit balances written off	-	-
Total Other expenses	621,115	589,150
Payment to auditors		
As auditor		
Audit fees	5,000	6,433
In other matters		
Total	5,000	6,433

22. Finance costs	<i>in £</i>	
	Year ended Mar 31, 2019	Year ended Mar 31, 2018
Finance charges	2,318	-
Interest on working capital finance	48,769	131,509
Interest on buyer's credit	-	-
Interest on optionally convertible debentures	-	-
Interest on others	-	9,005
Interest on loan from fellow subsidiary	190,784	-
Facility Charges	-	10,164
Total Finance costs	241,870	150,678

22A. Tax expense	<i>in £</i>	
	Year ended Mar 31, 2019	Year ended Mar 31, 2018
Current tax	-	108
Deferred tax	-	-
Total Tax Expense	-	108

Prime Focus Technologies UK Limited
Notes to Financial Statements

23. EPS

'Particulars	Mar'19	Mar'18
Net Profit/(loss) before exceptional items but after tax attributable to common stock shareholders for basic EPS (GBP) (A)	(1,515,933)	(85,637)
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)	(0.01)	(85,637)
Diluted EPS (GBP) (C=A / B)	(0.01)	(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 Focus MEAD FZ LLC - 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	2019	2018
a)	<u>Prime Focus Technologies Limited:</u>		
	Technical Charges		-
	Reimbursement of expenses (Net)		10,483
	Technical Service Charges Repaid		
	Issue of Preference Shares		305,000
	Loans received		-
	Loans repaid		-
	Interest on Loan		-
	Payment of Reimbursement of expenses	24,920	
	Interest on Loan repayment		41,063
	Balance outstanding at the year end- credit	-	24,920
2)	Fellow Subsidiary companies		
	Particulars	2019	2018
a)	Prime Focus Coopertief u.a.		
	Reimbursement of expenses (Net)	35,009	-
	Balance outstanding at the year end- debit	47,819	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	14,730	50,000
	Repayment against Advances Recd		50,000
	Balance outstanding at the year end	14,730	-

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
	Recd agst Reimbursement of expenses/Recharges (Given)	1,278	
	Paid agst Reimbursement of expenses/Recharges (Taken)	413,591	
	Technical Services	-	
	Paid against Technical Services	615,462	-
	Interest on Loan Taken	152,174	-
	Short Term Loan Taken	4,427,005	-
	Short Term Loan Repaid	1,114,117	110,000
	Loan Given Received		538,088
	Interest on Loan (Net)		40,968
	Received against Interest on loan	69,654	
	Interest on Loan repayment		-
	Balance outstanding at the year end- debit	3,013,058	506,118
g)	Prime Focus International Services UK Limited		
	Advances Received / (Given) - Net		(456,500)
	Loan Received	642,140	
	Advances received repaid	35,000	
	Repayment against Advances Recd		509,368
	Trade Payable	446,229	
	Interest on Loan Taken	44,772	
	Reimbursement of expenses (Net)	154,064	41,178
	Balance outstanding at the year end- credit	1,321,740	69,535
h)	Prime Post Europe Limited		
	Reimbursement of expenses (net)	(462,628)	320,889
	Balance outstanding at the year end- debit	954,088	1,416,715
i)	De-Fi Media Limited		
	Advances Received / (Given) - Net	1,297,200	-
	Advances repaid / received back (Net)		-
	Balance outstanding at the year end- credit	1,290,200	7,000
j)	Prime Focus MEAD FZ LLC		
	Reimbursement of expenses (net)	124,297	
	Balance outstanding at the year end- debit	124,297	-

Prime Focus Technologies UK Limited
Notes to Financial Statements

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	
	2019	2018	2019	2018
	Carrying Value		Fair Value	
Financial Assets:				
Measured at amortised cost				
Trade receivables	350,601	216,156	350,601	216,156
Cash and cash equivalents	43,721	26,916	43,721	26,916
Other financial assets	1,520,692	2,178,461	1,520,692	2,178,461
Total financial assets measured at amortised cost	1,915,014	2,421,533	1,915,014	2,421,533
Financial Liabilities:				
Measured at amortised cost				
Borrowings	3,987,331	2,496,719	3,987,331	2,496,719
Trade payables	139,892	473,305	139,892	473,305
Other financial liabilities	234,602	127,131	234,602	127,131
Total financial liabilities measured at amortised cost	4,361,825	3,097,155	4,361,825	3,097,155

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 2019	Less than 3 months	Between 3 and 12 months	More than 12 months	Total
Non-current financial assets				
Investments	-	-	-	-
Other financial assets	-	-	50,045	50,045
Current financial assets				
Trade and other receivables	350,601	-	-	350,601
Receivables due from related parties	1,442,894	-	-	1,442,894
Other financial assets	77,798	-	-	77,798
Cash and cash equivalents	43,721	-	-	43,721
	1,915,014	-	50,045	1,965,059
Non-current financial liabilities				
Borrowings	-	-	2,901,925	2,901,925
Other financial liabilities	-	-	-	-
Class B convertible redeemable preferred	-	-	-	-
Class B derivatives	-	-	-	-
Current financial liabilities				
Borrowings	3,987,331	-	-	3,987,331
Payables due to related party	-	-	-	-
Trade and other payables	139,892	-	-	139,892
Other financial liabilities	2,206	6,653	-	8,859
	4,129,429	6,653	2,901,925	7,038,007
At 31 March 2018				
	Less than 3 months	Between 3 and 12 months	More than 12 months	Total
Non-current financial assets				
Investments	-	-	-	-
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
	2,421,533	-	50,045	2,471,577
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	2,132	6,298	-	8,430
	2,853,884	6,298	2,279	2,862,461

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

sd/-

V. Shivkumar

(Proprietor)

Membership No.042673

Place: Mumbai

Date:

For and on behalf of the Board of Directors

sd/-

Ramakrishnan Sankaranarayanan

(Director)

Mumbai, dated: