

PULSE INVESTMENTS LIMITED

FINANCIAL STATEMENTS

THREE MONTHS ENDED SEPTEMBER 30, 2011

PULSE INVESTMENTS LIMITED

Balance Sheet

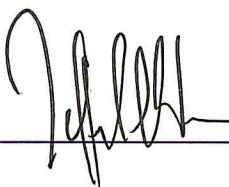
Quarter ended September 30, 2011

Notes	30/09/11 \$'000	Audited 30/06/11 \$'000	30/09/10 \$'000 <i>(Restated)</i>	Audited 30/06/10 \$'000 <i>(Restated)</i>
Current Assets				
Cash and cash equivalents	6,524	5,683	7,638	5,958
Trade and other receivables	24,708	16,245	13,032	20,736
Unexpired sponsorships in kind	30,895	19,876	41,532	18,541
	<u>62,127</u>	<u>41,804</u>	<u>62,202</u>	<u>45,235</u>
Current Liabilities				
Bank overdraft	1,019	2,407	2,620	2,861
Deferred unexpired sponsorships in kind	30,895	19,876	41,532	18,541
Accounts payable and accrued charges	42,270	46,202	8,338	10,791
Due to related party	16,187	16,353	61,764	46,303
Short term loan and current portion of long-term loans	4,287	4,287	7,535	7,535
	<u>94,658</u>	<u>89,125</u>	<u>121,789</u>	<u>86,031</u>
Net current liabilities	<u>(32,531)</u>	<u>(47,321)</u>	<u>(59,587)</u>	<u>(40,796)</u>
Non-current assets				
Investment property	825,162	791,454	555,503	554,886
Intangible assets	92,720	92,720	92,720	92,720
Property, plant & equipment	73,208	73,208	111,057	101,421
	<u>991,090</u>	<u>957,382</u>	<u>759,280</u>	<u>749,027</u>
	<u>958,559</u>	<u>910,061</u>	<u>699,693</u>	<u>708,231</u>
Stockholders' equity				
Share capital	152,367	152,367	152,367	152,367
Share premium	366,376	366,376	366,376	366,376
Capital reserve	2,637	2,637	2,637	2,637
Capital redemption reserve	20,500	20,500	20,500	20,500
Revaluation reserve	25,730	25,730	-	-
Shares to be issued	2,609	2,609	2,609	2,609
Retained earnings	365,534	316,541	134,810	143,348
	<u>935,753</u>	<u>886,760</u>	<u>679,299</u>	<u>687,837</u>
Non-current liability				
Long-term loans	22,806	23,301	20,394	20,394
	<u>958,559</u>	<u>910,061</u>	<u>699,693</u>	<u>708,231</u>

The financial statements on pages 3 to 31 were approved for issue by the Board of Directors on and signed on its behalf by:-



Director



Director

The accompanying notes form an integral part of the financial statements.

PULSE INVESTMENTS LIMITED

Statement of Comprehensive Income
Quarter ended September 30, 2011.

	30/09/11 \$'000	Audited 30/06/11 \$'000	30/09/10 \$'000 <i>(Restated)</i>	Audited 30/06/10 \$'000 <i>(Restated)</i>
Operating Revenue	51,283	234,750	15,524	227,834
Operating expenses	(34,903)	(181,208)	(23,626)	(168,179)
Operating profit	16,380	53,542	(8,102)	59,655
Fair value appreciation on investment property	33,708	122,794	-	70,836
Other income		4,183	-	8,679
Profit before finance costs	50,088	180,519	(8,102)	139,170
Net finance costs:				
Foreign exchange losses	0	(165)	-	-
Finance income	0	-	-	40
Finance costs	(1,095)	(7,161)	(436)	(8,198)
Profit for the period	48,993	173,193	(8,538)	131,012
Other comprehensive income:				
Revaluation of leasehold property	0	25,730	-	-
Total comprehensive income for the period	48,993	198,923	(8,538)	131,012
Earnings per stock unit (basic and diluted)	0.17	0.62		0.47

The accompanying notes form an integral part of the financial statements.

PULSE INVESTMENTS LIMITED

Statement of changes in Stockholders' Equity
Quarter ended September 30, 2011

	Share Capital \$'000	Share premium \$'000	Capital reserve \$'000	Capital redemption reserve \$'000	Revaluation reserve \$'000	Shares to be issued \$'000	Retained earnings \$'000	Total \$'000
Balances as at June 2010 as restated	152,367	366,376	2,637	20,500	-	2,609	143,348	687,837
Total comprehensive income Profit/(Loss) for the quarter ended September 30, 2010								
Balance at 30/9/2010	152,367	366,376	2,637	20,500	-	2,609	134,810	679,299
							(8,538)	(8,538)
Balances as at June 2010 as restated	152,367	366,376	2,637	20,500	-	2,609	143,348	687,837
Total comprehensive income: Profit for the year							173,193	173,193
Other comprehensive income: Revaluation of leasehold property					25,730			25,730
Total comprehensive income:					25,730		173,193	198,923
Balance at June 30, 2011	152,367	366,376	2,637	20,500	25,730	2,609	316,541	886,760
Total comprehensive income Profit for the quarter ended September 30, 2011							48,993	48,993
	152,367	366,376	2,637	20,500	25,730	2,609	365,534	935,753

PULSE INVESTMENTS LIMITED

Statement of Cash Flows

Quarter ended September 30, 2011

	30/09/11 \$'000	Audited 30/06/11 \$'000	30/09/10 \$'000 <i>(Restated)</i>	Audited 30/06/10 \$'000 <i>(Restated)</i>
Cash flows from operating activities				
Profit for the period	48,993	173,193	(8,538)	131,012
Adjustments for:				
Fair value appreciation on investment property	(33,708)	(122,794)	-	(70,836)
Depreciation	-	2,546	1,714	5,569
Foreign exchange loss	-	165		257
Interest income		-		(40)
Interest expense	1,095	7,161	436	6,729
	<u>16,380</u>	<u>60,271</u>	<u>(6,388)</u>	<u>72,691</u>
(Increase)/ decrease in current assets:				
Trade and other receivables	(8,463)	4,491	7,704	(6,574)
Increase/(decrease) in current liabilities:				
Accounts payable and accrued liabilities	(3,932)	35,361	(2,453)	(5,645)
Due to related party	(166)	(29,950)	15,461	(24,265)
Cash provided by operating activities	3,819	70,173	14,324	36,207
Interest received		-		40
Interest paid	(1,095)	(7,111)	(436)	(6,056)
Net cash provided by operating activities	2,724	63,062	13,888	30,191
Cash flows from investing activities				
Additions to property, Plant & equipment	-	(41)	(11,967)	(218)
Additions to investment properties	-	(62,336)		(29,513)
Net cash used by investing activities	-	(62,377)	(11,967)	(29,731)
Net cash from financing activities				
Loans received	-	26,950	-	28,615
Loans repaid	(495)	(27,456)	-	(23,701)
Net cash (used)/provided by financing activities	(495)	(506)	-	4,914
Net increase in cash and cash equivalents	2,229	179	1,921	5,374
Cash and cash equivalents at beginning of period	<u>3,276</u>	<u>3,097</u>	<u>3,097</u>	<u>(2,277)</u>
Cash and cash equivalents at end of period	<u>5,505</u>	<u>3,276</u>	<u>5,018</u>	<u>3,097</u>
Comprising cash and cash equivalents:				
Cash	6,524	5,683	7,638	5,958
Bank overdraft	(1,019)	(2,407)	(2,620)	(2,861)
	<u>5,505</u>	<u>3,276</u>	<u>5,018</u>	<u>3,097</u>

The accompanying notes form an integral part of the financial statements.

PULSE INVESTMENTS LIMITED

Notes to the Financial Statements
Quarter ended September 30, 2011

1. The company

The company was incorporated in Jamaica under the Companies Act on August 6, 1993 and commenced trading on November 1, 1993. The company is domiciled in Jamaica and is controlled by the Executive Chairman, Mr. Kingsley Cooper. The company's shares are listed on the Jamaica Stock Exchange.

The principal activities of the company are model agency representation, multi-media production, marketing, show production and sub-letting of leasehold properties. The registered office of the company is situated at 38a Trafalgar Road, Kingston 10, Jamaica, W.I.

2. Statement of compliance, basis of preparation and significant accounting polices.

(a) Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board, and comply with the provisions of the Jamaican Companies Act.

These financial statements have been prepared using the same accounting policies and methods of computation as compared with the audited financial statements for the year ended June 30, 2011.

(b) Revenue recognition:

Operating revenue represents income from sale of T V programming, market sponsorship, model agency representation, show production and promotion, and rental income from sub-letting leasehold properties.

Advertising entitlements/Sale of TV programming

Advertising entitlements are received in part or full consideration for the company's produced and branded TV programmes sold to broadcasting stations. The company utilises these entitlements or makes them available to sponsors. Revenue from advertising entitlements is recognised to the extent of expenses that are recoverable.

Sponsorship in kind

Sponsorship in kind represent services provided by sponsors. These are recognised in income in the period that the associated expenses era recognised.

Model agency representation

Revenue from model agencies is recognised as commissions or management fees earned. Commissions are earned when models represented by the company have completed modelling assignments. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

Show production

Revenue from the production and promotion of shows is recognised in accordance with the terms of the various contractual agreements.

Operating leases

Income and expenses under operating leases are recognised in profit and loss on a straight line basis over the term of the lease.