

PULSE INVESTMENTS LIMITED

STATEMENT OF FINANCIAL POSITION

Quarter ended September 30, 2012

	Notes	30/09/12 \$'000	Audited 30/06/12 \$'000	30/09/11 \$'000	Audited 30/06/11 \$'000
ASSETS					
NON-CURRENT ASSETS:					
Property, plant & equipment		78,686	77,791	73,208	73,208
Intangible assets		92,720	92,720	92,720	92,720
Investment property		886,646	866,483	825,162	791,454
		<u>1,058,052</u>	<u>1,036,994</u>	<u>991,090</u>	<u>957,382</u>
CURRENT ASSETS					
Trade and other receivables		22,294	29,023	24,708	16,245
Advertising entitlements receivable		82,029	62,029	-	-
Unexpired sponsorships in kind		70,896	49,896	30,895	19,876
Related party		-	3,278		
Cash and cash equivalents		11,036	6,284	6,524	5,683
		<u>186,255</u>	<u>150,510</u>	<u>62,127</u>	<u>41,804</u>
		<u><u>1,244,307</u></u>	<u><u>1,187,504</u></u>	<u><u>1,053,217</u></u>	<u><u>999,186</u></u>
RESERVES AND LIABILITIES					
SHAREHOLDERS 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		34,400	33,208	25,730	25,730
Shares to be issued		2,609	2,609	2,609	2,609
Retained earnings		533,604	481,647	365,534	316,541
		<u>1,112,493</u>	<u>1,059,344</u>	<u>935,753</u>	<u>886,760</u>
NON-CURRENT LIABILITY					
Long-term loans		-	-	22,806	23,301
CURRENT LIABILITIES					
Accounts payable and accrued charges		48,624	50,149	42,270	46,202
Deferred unexpired sponsorships in kind		49,896	49,896	30,895	19,876
Due to related party		7,054	-	16,187	16,353
Bank overdraft		792	2,137	1,019	2,407
Current portion of long term loans		25,448	25,978	4,287	4,287
		<u>131,814</u>	<u>128,160</u>	<u>94,658</u>	<u>89,125</u>
		<u><u>1,244,307</u></u>	<u><u>1,187,504</u></u>	<u><u>1,053,217</u></u>	<u><u>999,186</u></u>

The financial statements on pages 3 to 8 were approved for issue by the Board of Directors on
and signed on its behalf by:-

 Director

 Director

PULSE INVESTMENTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
Quarter ended September 30, 2012.

	30/09/12 \$'000	Audited 30/06/12 \$'000	30/09/11 \$'000	Audited 30/06/11 \$'000
REVENUE	61,949	241,878	51,283	234,750
Operating Revenue	61,949	241,878	51,283	234,750
Administrative and other expense	(29,106)	(145,839)	(34,903)	(181,208)
	(29,106)	(145,839)	(34,903)	(181,208)
PROFIT FROM OPERATIONS	32,843	96,039	16,380	53,542
Fair value appreciation on investment property	20,163	63,316	33,708	122,794
Other income		10,731	-	4,183
Profit before finance costs	53,006	170,086	50,088	180,519
Net finance costs:				
Foreign exchange losses			0	(165)
Finance income			0	-
Finance costs	(1,049)	(4,980)	(1,095)	(7,161)
	(1,049)	(4,980)	(1,095)	(7,326)
PROFIT FOR THE PERIOD	51,957	165,106	48,993	173,193
Other comprehensive income:				
Gain on leasehold revaluation	1,192	7,478	-	25,730
Total comprehensive income for the period	53,149	172,584	48,993	198,923
EARNINGS PER SHARE	0.19	0.59	0.17	0.62

PULSE INVESTMENTS LIMITED

Statement of changes in Stockholders' Equity
Quarter ended September 30, 2012

	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 2011	152,367	366,376	2,637	20,500	25,730	2,609	316,541	886,760
Total comprehensive income Profit/(Loss) for the quarter ended September 30, 2011							48,993	48,993
Balance at 30/9/2011	152,367	366,376	2,637	20,500	25,730	2,609	365,534	935,753
Balances as at June 2011	152,367	366,376	2,637	20,500	25,730	2,609	316,541	886,760
Total comprehensive income: Profit for the year					7,478	-	165,106	172,584
Total comprehensive income: Balance at June 30, 2011	152,367	366,376	2,637	20,500	33,208	2,609	481,647	1,059,344
Total comprehensive income Profit for the quarter ended September 30, 2012					1,192		51,957	53,149
Total comprehensive income: Balance at June 30, 2011	152,367	366,376	2,637	20,500	34,400	2,609	533,604	1,112,493

PULSE INVESTMENTS LIMITED

Statement of Cash Flows
Quarter ended September 30, 2012

	30/09/12 \$'000	Audited 30/06/12 \$'000	30/09/11 \$'000	Audited 30/06/11 \$'000
Cash flows from operating activities				
Profit for the period	51,957	165,106	48,993	173,193
Adjustments for:				
Fair value appreciation on investment property	(20,163)	(63,316)	(33,708)	(122,794)
Depreciation	374	3,103	-	2,546
Effects of exchange rate translation	-	6	-	165
Interest expense	1,049	4,980	1,095	5,562
	<u>33,217</u>	<u>109,879</u>	<u>16,380</u>	<u>58,672</u>
Operating cash flows before movements in working capital				
Changes in operating assets and liabilities:				
Trade and other receivables	(34,271)	(74,807)	(8,463)	4,491
Payables and accruals	(1,525)	3,874	(3,932)	35,361
Related party	10,332	(19,631)	(166)	(29,950)
	<u>7,753</u>	<u>19,315</u>	<u>3,819</u>	<u>68,574</u>
Cash provided by operating activities				
Cash flows from investing activities				
Additions to property, Plant & equipment	(77)	(208)	-	(41)
Additions to investment properties	-	(11,713)	-	(62,336)
	<u>(77)</u>	<u>(11,921)</u>	<u>-</u>	<u>(62,377)</u>
Net cash used by investing activities				
Cash from financing activities				
Interest paid	(1,049)	(4,907)	(1,095)	(5,512)
Loans received	-	-	-	26,950
Loans repaid	(530)	(1,610)	(495)	(27,291)
	<u>(1,579)</u>	<u>(6,517)</u>	<u>(1,590)</u>	<u>(5,853)</u>
Net cash (used)/provided by financing activities				
Net increase in cash and cash equivalents	6,097	877	2,229	344
Cash and cash equivalents at beginning of period	4,147	3,276	3,276	3,097
Effects of exchange rate translation	-	(6)	-	(165)
Cash and cash equivalents at end of period	<u>10,244</u>	<u>4,147</u>	<u>5,505</u>	<u>3,276</u>
Comprising cash and cash equivalents:				
Cash	11,036	6,284	6,524	5,683
Bank overdraft	(792)	(2,137)	(1,019)	(2,407)
	<u>10,244</u>	<u>4,147</u>	<u>5,505</u>	<u>3,276</u>

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

PULSE INVESTMENTS LIMITED

Notes to the Financial Statements
Quarter ended September 30, 2012

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 policies.

(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, 2012.

(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 are 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.