

PULSE INVESTMENTS LIMITED

STATEMENT OF FINANCIAL POSITION

Nine months ended March 31, 2017

	Note	31/03/17 \$'000	31/12/16 \$'000	Audited 30/06/16 \$'000	(Restated) 31/03/16 \$'000
ASSETS					
NON-CURRENT ASSETS:					
Property, plant & equipment		116,531	114,465	115,050	112,323
Intangible assets		92,720	92,720	92,720	92,720
Investment property		1,431,074	1,391,831	1,309,400	1,274,843
Deferred Tax asset		123,510	123,510	123,510	
		<u>1,763,835</u>	<u>1,722,526</u>	<u>1,640,680</u>	<u>1,479,886</u>
CURRENT ASSETS					
Trade and other receivables		28,252	26,142	24,764	27,510
Advertising entitlements receivable		524,187	492,187	439,237	400,751
Unexpired sponsorships in kind					23,750
Cash and cash equivalents		53,995	39,800	18,656	23,614
		<u>606,434</u>	<u>558,129</u>	<u>482,657</u>	<u>475,625</u>
		<u>2,370,269</u>	<u>2,280,655</u>	<u>2,123,337</u>	<u>1,955,511</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		66,211	63,738	58,792	75,080
Shares to be issued		2,609	2,609	2,609	2,609
Retained earnings		1,614,070	1,548,522	1,393,537	1,221,859
		<u>2,224,770</u>	<u>2,156,749</u>	<u>1,996,818</u>	<u>1,841,428</u>
NON-CURRENT LIABILITY					
Long-term loans		11,516	12,046	13,346	14,818
Related Party		121,338	97,669	90,264	84,399
		<u>132,854</u>	<u>109,715</u>	<u>103,610</u>	<u>99,217</u>
CURRENT LIABILITIES					
Accounts payable and accrued charges		3,979	4,614	8,149	8,403
Taxation		4,609	4,609	4,609	
Bank overdraft			911	6,094	2,406
Current portion of long term loans		4,057	4,057	4,057	4,057
		<u>12,645</u>	<u>14,191</u>	<u>22,909</u>	<u>14,866</u>
		<u>2,370,269</u>	<u>2,280,655</u>	<u>2,123,337</u>	<u>1,955,511</u>

The financial statements on pages 3 to 8 were approved for issue by the Board of Directors on 17/03/2017 and signed on its behalf by:-

Director

Director

PULSE INVESTMENTS LIMITED**STATEMENT OF COMPREHENSIVE INCOME**

Nine months ended March 31, 2017

	3 Mths ended 31/03/17 \$'000	3 Mths ended 31/03/16 \$'000	9 Mths ended 31/03/17 \$'000	9 Mths ended 31/03/16 \$'000
REVENUE				
Operating Revenue	75,170	64,650	263,662	216,352
Administrative and other expense	(37,471)	(33,214)	(122,108)	(103,130)
PROFIT FROM OPERATIONS	37,699	31,436	141,554	113,222
Fair value appreciation on investment property	28,379	26,437	81,159	78,243
Other income				
Profit before finance costs	66,078	57,873	222,713	191,465
Net finance costs:				
Foreign exchange losses				
Finance income				
Finance costs	(530)	(750)	(2,180)	(2,410)
PROFIT FOR THE PERIOD	65,548	57,123	220,533	189,055
Other comprehensive income:				
Gain on leasehold revaluation	2,473	2,263	7,419	6,789
Total comprehensive income for the period	68,021	59,386	227,952	195,844
EARNINGS PER SHARE	0.24	0.21	0.81	0.70

PULSE INVESTMENTS LIMITED

Statement of Cash Flows

Nine months ended March 31, 2017

	3 Mths ended 31/03/17 \$'000	3 Mths ended 31/03/16 \$'000	9 Mths ended 31/03/17 \$'000	9Mths ended 31/03/16 \$'000
Cash flows from operating activities				
Profit for the period	65,548	57,123	220,533	189,055
Adjustments for:				
Fair value appreciation on investment property	(28,378)	(26,437)	(81,159)	(78,243)
Depreciation	430	439	1,290	1,317
Effects of exchange rate translation				
Interest expense	530	750	2,180	2,410
	<u>38,130</u>	<u>31,875</u>	<u>142,844</u>	<u>114,539</u>
Operating cash flows before movements in working capital				
Changes in operating assets and liabilities:				
Trade and other receivables	(2,110)	(15,711)	(3,488)	(11,592)
Advertising Entitlements	(32,000)	(20,000)	(84,950)	(77,000)
Unexpired Sponsorship in Kind	-	-	-	(23,750)
Payables and accruals	(635)	5,016	776	863
Due to related party	23,669	17,092	31,074	34,804
	<u>27,054</u>	<u>18,272</u>	<u>86,256</u>	<u>37,864</u>
Cash provided by operating activities				
Cash flows from investing activities				
Additions to property, Plant & equipment	(23)		(298)	(169)
Additions to investment properties	(10,865)	(11,650)	(40,515)	(21,838)
	<u>(10,888)</u>	<u>(11,650)</u>	<u>(40,813)</u>	<u>(22,007)</u>
Net cash used by investing activities				
Cash from financing activities				
Interest paid	(530)	(750)	(2,180)	(2,410)
Loans received				
Loans repaid	(530)	(62)	(1,830)	(1,942)
	<u>(1,060)</u>	<u>(812)</u>	<u>(4,010)</u>	<u>(4,352)</u>
Net cash (used)/provided by financing activities				
Net increase in cash and cash equivalents	15,106	5,810	41,433	11,505
Cash and cash equivalents at beginning of period	38,889	15,398	12,562	9,703
Effects of exchange rate translation				
Cash and cash equivalents at end of period	<u>53,995</u>	<u>21,208</u>	<u>53,995</u>	<u>21,208</u>
Comprising cash and cash equivalents:				
Cash	53,995	23,614	53,995	23,614
Bank overdraft	-	(2,406)		(2,406)
	<u>53,995</u>	<u>21,208</u>	<u>53,995</u>	<u>21,208</u>

PULSE INVESTMENTS LIMITED

Statement of changes in Stockholders' Equity
 Nine Months ended March 31, 2017

	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 July 2015	152,367	366,376	2,637	20,500	68,291	2,609	1,032,804	1,645,584
Total comprehensive income Profit for the nine months ended March 31, 2016					6,789		189,055	195,844
Balance at 31/03/2016	152,367	366,376	2,637	20,500	75,080	2,609	1,221,859	1,841,428
Balances as at July 1, 2016	152,367	366,376	2,637	20,500	58,792	2,609	1,393,537	1,996,818
Total comprehensive income Profit for the nine months ended March 31, 2017					7,419		220,533	227,952
Balance at 31/03/2017	152,367	366,376	2,637	20,500	66,211	2,609	1,614,070	2,224,770

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, 2016

(b) Revenue recognition:

Operating revenue represents income from sale of TV 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.

**PULSE INVESTMENTS LIMITED
DIRECTORS SHAREHOLDINGS**

DIRECTORS' NAMES	SHAREHOLDING	CONNECTED PARTY
KINGSLEY COOPER	197,650,880	
	419,136	SAMURAI INVEST. LTD
	274,903	PULSE LIMITED
	1,079,422	SAFIA COOPER
HILARY PHILLIPS	17,804,436	
	50,000	GRANT, STEWART, PHILLIPS & CO.
JEFFREY COBHAM	2,691,830	
ELEANOR BROWN	NIL	
OLIVER HOLMES	NIL	
LOIS LAKE SHERWOOD	1,085,714	
ROMAE GORDON	1,635,279	
	222,691,600	

SENIOR MANAGERS

SAFIA COOPER	1,079,422
ROMAE GORDON	1,635,279
	2,714,701

PULSE INVESTMENTS LIMITED
TOP 10 SHAREHOLDERS AT MARCH 31, 2017

Issued Ordinary shares

271,789,674

SHAREHOLDERS	SHAREHOLDINGS	%
KINGSLEY COOPER	197,650,880	72.722
HILARY PHILLIPS	17,804,436	6.551
BARITA INV. LTD. EQUITY FUND (TRD. A.C)	13,562,438	4.990
SHELDON GORDON	8,978,939	3.304
JASON CARL CARBY	6,004,200	2.209
PRODUCTION FUND	3,375,000	1.242
MARSTON GORDON	3,157,180	1.162
JEFFREY COBHAM	2,691,830	0.990
ROMAE GORDON	1,635,279	0.602
BARITA LEASING LIMITED	1,238,593	0.456
	256,098,775	94.227

NO. OF SHAREHOLDERS AT MARCH 31, 2017

JCS D	213
MAIN REGISTER	103
TOTAL	316