

SCRABBLE ENTERTAINMENT JLT

DUBAI - UNITED ARAB EMIRATES

FINANCIAL STATEMENTS FOR THE YEAR

ENDED 31ST MARCH 2015

AND INDEPENDENT AUDITOR'S REPORT

SCRABBLE ENTERTAINMENT JLT
DUBAI - UNITED ARAB EMIRATES

<u>CONTENTS</u>	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1 TO 2
STATEMENT OF FINANCIAL POSITION	3
STATEMENT OF COMPREHENSIVE INCOME	4
STATEMENT OF CHANGES IN EQUITY	5
STATEMENT OF CASH FLOW	6
NOTES TO THE FINANCIAL INFORMATION	7 TO 20

Independent Auditor's Report to Shareholder's of SCRABBLE ENTERTAINMENT JLT

Dubai - United Arab Emirates.

Report of the Auditors

We have audited the accompanying financial statements of **SCRABBLE ENTERTAINMENT JLT, Dubai** which comprises the statement of financial position as of 31st March 2015 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended and a summary of significant accounting policies and other explanatory notes.

Respective responsibilities

The preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) are the responsibility of the Company Directors'. This responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances. Our responsibility is to express an opinion on these financial statements based on our audit.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that the audit evidence we have obtained provides a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements present fairly, in all material aspects, the financial position of the Company as of 31st March 2015 and the results of its operations and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRS) and comply, where appropriate, with the provisions of law No (4) of 2001 and order dated May 1 2002 in respect of establishing companies in Dubai Multi Commodities Centre and its amendments.

INDEPENDENT AUDITOR'S REPORT (continued)

Report on other legal and regulatory requirements

Further, we report that the financial statements of the company comply, in all material respects, with the applicable provisions of the implementing regulations of law No (4) of 2001 and order dated May 1 2002 in respect of establishing companies in Dubai Multi Commodities Centre and its amendments. We confirm that we have obtained all information and explanations necessary for our audit, that proper books of accounts have been kept by the company and which are in agreement with the Company's financial records. We are not aware of any violation of the above mentioned Law and Articles of Association having occurred during the period ended 31st March 2015 , which may have had a material adverse effect on the business of the company or its financial position.


K V Baby ACA

Licensed Auditor No. 382

Dubai

June 10, 2015



SCRABBLE ENTERTAINMENT JLT
DUBAI - UNITED ARAB EMIRATES
STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2015

<u>ASSETS</u>		<u>31-Mar-15</u>	<u>31-Mar-14</u>
<u>NON-CURRENT ASSETS</u>	<u>Notes</u>	<u>AED</u>	<u>AED</u>
Property, plant & equipment (net)	5	1,847,426	2,761,943
Investments	6	12,966	12,966
Total non-current Assets		1,860,392	2,774,909
<u>CURRENT ASSETS</u>			
Inventory	7	1,663,851	691,609
Accounts receivable	8	10,973,302	9,980,279
Due from related parties	9a	697,258	947,210
Loan to shareholder	10	3,128,499	2,880,774
Deposits, prepayments and other receivables	11	612,402	803,914
Cash in hand and at banks	12	4,980,662	7,497,446
Total Current Assets		22,055,974	22,801,232
TOTAL ASSETS		23,916,366	25,576,141
<u>EQUITY AND LIABILITIES</u>			
<u>CAPITAL AND RESERVES</u>			
Share capital		3,000,000	3,000,000
Legal reserve		1,500,000	1,452,794
Shareholders' current accounts	13	(3,302,563)	(3,255,422)
Retained earnings		12,696,880	12,494,972
Total Capital and Reserves		13,894,318	13,692,345
<u>NON-CURRENT LIABILITIES</u>			
Loans and advances	14	-	990,165
Provision for employees' service end benefits	15	197,420	129,371
Total non-current liabilities		197,420	1,119,536
<u>CURRENT LIABILITIES</u>			
Accounts payable	16	8,902,580	9,778,467
Due to related parties	9b	91,750	-
Accruals and other payables	17	830,298	137,099
Loans and advances - current portion	14	-	848,694
Total Current Liabilities		9,824,628	10,764,260
TOTAL EQUITY AND LIABILITIES		23,916,366	25,576,141

(Notes on pages 7 to 20 form an integral part of these financial statements)

We approve these Financial Statements and confirm that we are responsible for them, including the selection of the accounting policies and making the judgment underlying them. We also confirm that we have made available all relevant accounting records and information for their compilation. These financial statements were approved on 10th June 2015.

FOR SCRABBLE ENTERTAINMENT JLT

Mr. Pruthu Rajesh Shah

Manager



SCRABBLE ENTERTAINMENT JLT
DUBAI - UNITED ARAB EMIRATES
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
31ST MARCH 2015

		<u>31-Mar-15</u>	<u>31-Mar-14</u>
	<u>Notes</u>	<u>AED</u>	<u>AED</u>
Sales	18	47,884,794	45,955,655
Cost of sales	19	(34,607,852)	(35,359,426)
Gross profit		13,276,942	10,596,229
Add: other income	20	605,041	393,353
		13,881,983	10,989,582
<u>Less : General & Administrative Expenses</u>			
<u>and Other Charges</u>			
General & administration expenses	21	3,071,490	2,489,098
Finance charges	22	81,231	187,054
Depreciation expenses	5	1,030,148	974,559
Total expenses		4,182,869	3,650,711
Net income / (loss) transferred to retained earnings		9,699,114	7,338,872

(Notes on pages 7 to 20 form an integral part of these financial statements)

FOR SCRABBLE ENTERTAINMENT JLT

Mr. Pruthu Rajesh Shah

Mr. Pruthu Rajesh Shah

Manager



SCRABBLE ENTERTAINMENT JLT

DUBAI - UNITED ARAB EMIRATES

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2015.

	Capital	Legal Reserve	Current accounts	Retained earnings	Total
	AED	AED	AED	AED	AED
As at 01/04/2013	3,000,000	735,095	47,141	5,873,799	9,656,035
Funds introduced/(withdrawn) net	-	-	(3,302,563)		(3,302,563)
Transfer from income statement		717,699		6,621,173	7,338,872
As at 31/03/2014	3,000,000	1,452,794	(3,255,422)	12,494,972	13,692,345
Funds introduced/(withdrawn) net			(47,141)		(47,141)
Transfer from income statement		47,206	-	9,651,908	9,699,114
Dividend declared and paid		-	-	(9,450,000)	(9,450,000)
As at 31/03/2015	3,000,000	1,500,000	(3,302,563)	12,696,880	13,894,318

(Notes on pages 7 to 20 form an integral part of these financial statements)

FOR SCRABBLE ENTERTAINMENT JLT

Pruthu Rajesh Shah

Mr. Pruthu Rajesh Shah

Manager



SCRABBLE ENTERTAINMENT JLT
DUBAI - UNITED ARAB EMIRATES

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2015

	31-Mar-15	31-Mar-14
	AED	AED
<u>Cash Flow from Operating Activities</u>		
Operating profit for the year	9,699,114	7,338,872
Adjustments for:-		
Depreciation of property, plant & equipment	1,030,148	974,559
Employees' end of service benefits	68,049	84,052
(Profit)/loss on sale of assets	1,880	-
Operating Income Before Working Capital Changes	10,799,191	8,397,483
<u>(Increase) / Decrease in operating assets</u>		
Inventory	(972,242)	(170,621)
Accounts receivable	(993,023)	(1,611,680)
Related party balances	341,702	(628,756)
Deposits, prepayments and other receivables	191,512	(56,169)
<u>Increase / (Decrease) in operating liabilities</u>		
Trade Creditors	(875,887)	2,911,996
Accruals and other payables	693,199	(941,377)
Net Cash Flow from Operating Activities	9,184,452	7,900,876
<u>Cash Flow from Investing Activities</u>		
Purchase of property, plant & equipment	(117,511)	(268,181)
Net Cash Outflow from Investing Activities	(117,511)	(268,181)
<u>Cash Flow from Financing Activities</u>		
Shareholder's current account	(47,141)	(3,302,563)
Other loans and advances	(1,838,859)	222,356
Shareholder's loan	(247,725)	(2,880,774)
Dividend declared and paid	(9,450,000)	-
Investments	-	(708)
Net Cash flow from Financing Activities	(11,583,725)	(5,961,689)
Add opening cash and bank balances	7,497,446	5,826,440
Closing cash and cash equivalents	4,980,662	7,497,446

(Notes on pages 7 to 20 form an integral part of these financial statements)

FOR SCRABBLE ENTERTAINMENT JLT

Mr. Pruthu Rajesh Shah

Manager



SCRABBLE ENTERTAINMENT JLT

DUBAI - UNITED ARAB EMIRATES

NOTES TO THE COMBINED FINANCIAL STATEMENTS AS AT 31ST MARCH 2015

1- COMPANY'S NATURE, OPERATIONS AND OWNERSHIP

a) SCRABBLE ENTERTAINMENT JLT is registered as a Company with Limited Liability in Dubai Multi Commodities Centre Dubai U A E, in accordance with all the provisions of law No (4) of 2001 and order dated May 1 2002 in respect of establishing Dubai Multi Commodities Centre and its amendments. The company operates under Trade license No. JLT-66360 issued on September 27, 2011. The registered office of the company is Units No.2405&2406,1-Lake Plaza, Plot No. PH2-T2, Jumeirah Lakes Towers, Dubai, U A E.

b) The principle activity of the company is Trading in Audio-Visual, Recording equipment & accessories.

c) The authorized issued and paid up capital of the company was 3000 shares of AED 1,000/- each. The names of the shareholders and the shares held by them were as given below.

Name of Shareholders	Country	No of Shares	Value of Shares (AED)
M/s. Scrabble Entertainment Limited., Mumbai	India	300	300,000
M/s. Scrabble Entertainment (Mauritius) Ltd., Mauritius	Mauritius	2,700	2,700,000
Total		3,000	3,000,000

d) The authorized manager of the company is Mr. Pruthu Rajesh Shah.

2- BASIS OF PREPARATION

2.1 - Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as promulgated by the International Accounting Standards Board and the requirements of the U.A.E Federal Law No. 8 of 1984 (as amended).

2.2 - Basis of Measurement

* The financial statements have been prepared under the historical cost convention unless otherwise indicated.

* The financial statements are presented in United Arab Emirates Dirham (AED) and are rounded to the nearest value.

2.3 - Going Concern

The financial statements are prepared on a going concern basis which assumed that the Entity will continue to operate as a going concern for the foreseeable future.



2.4 - Comparative Information

* The accounting policies and estimates adopted are consistent with those used in previous financial years.

* Certain comparative figures are regrouped and rearranged wherever necessary to conform to the presentation adopted in these financial statements. Such reclassification do not affect previously reported net income or shareholders' equity.

3- APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

3.1 - New and Revised IFRSs applied with no material effect on the financial statements

The following new and revised IFRSs have been adopted in these financial statements. The application of these new and revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may effect the accounting for future transactions or arrangements.

- ◆ Amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements relating to Investment Entities.
- ◆ Amendments to IAS 32 Financial Instruments: Presentation regarding Offsetting Financial Assets and Financial Liabilities.
- ◆ Amendments to IAS 36 Impairment of Assets relating to Recoverable Amount Disclosures for Non-Financial Assets.
- ◆ Amendments to IAS 39 Financial Instruments relating to Novation of Derivatives and Continuation of Hedge Accounting.
- ◆ IFRIC 21 Levies.

3.2 - New and Revised IFRSs in issue but not yet effective

The Entity has not early applied the following new standards, amendments and interpretations that have been issued but not yet effective:

New and Revised IFRSs

- ◆ IFRS 9 *Financial Instruments* (2014)
- ◆ IFRS 15 *Revenue from Contracts with Customers*
- ◆ Amendments IAS 19 *Employee Benefits* relating to Defined Benefit Plans: Employee Contributions
- ◆ Improvements to IFRSs issued in 2010 - 2012 covering amendments to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 38, IAS 24
- ◆ Improvements to IFRSs issued in 2011 - 2013 covering amendments to IFRS 1, IFRS 3, IFRS 13, IAS 40
- ◆ Improvements to IFRSs issued in 2012 - 2014 covering amendments to IFRS 5, IFRS 7, IAS 9, IAS 34
- ◆ Amendments to IFRS 11 Joint Arrangements related to Accounting for Acquisitions of Interests in Joint Operations
- ◆ Amendments to IAS 16 *Property, Plant and Equipment* and IAS 38 *Intangible Assets* regarding clarification of acceptable methods of depreciation and amortisation



- ◆ Amendments to IAS 27 *Separate Financial Statements* regarding Equity Method in Separate Financial Statements
- ◆ Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* regarding the sale or contribution of assets between an investor and its associate or joint venture

4- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Foreign Currency Translations

The financial statements are presented in United Arab Emirates Dirham (AED), which is the Entity's functional and presentation currency. Transactions in foreign currencies are recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denomination in foreign currencies are converted at the rate of exchange ruling at the date of financial position. The resultant foreign exchange gains and losses are recognized in the Income statement.

4.2 Property, plant and equipment

Property, Plant & Equipment are stated at cost less accumulated depreciation and impairment, if any. Depreciation on property, plant & equipment is provided on a straight line basis at rates calculated to write off the cost of each asset by equal annual instalments over its expected useful life. The rates of depreciation are based upon the following estimated useful lives: -

Furniture / Fittings	6 Years
Equipments	3 to 6 Years
Leasehold improvements	3 Years
Vehicles	3 Years

4.3 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined on weighted average basis. The cost of inventory comprises the cost of purchase and other costs incurred in bringing the inventory to its present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

4.4 Impairment of non-financial asset

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which these are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

4.5 Financial Assets

Classification

Financial assets are cash and cash equivalents and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.



Recognition and measurement

Financial assets are initially measured at fair value and subsequently carried at amortized cost using the effective interest method. The Entity assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

4.6 Impairment of financial assets

The Entity assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The Entity first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount of the asset is reduced and the amount of the loss is recognized in the statement of comprehensive income. As a practical expedient, the Entity may measure impairment on the basis of an instrument's fair value using an observable market price. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the statement of comprehensive income.

4.7 Cash and cash equivalents

Cash and cash equivalents are defined as cash and bank balances that are readily convertible to known amounts of cash and which are subjected to an insignificant risk of changes in values.

4.8 Financial Liabilities

Classification

Financial liabilities issued by the Entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Derecognition of Financial Liabilities

The Entity derecognise financial liabilities when, and only when, the Entity's obligations are discharged, cancelled or expired.

4.9 Trade payables and accruals

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Provision are recognized when the business has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are not recognized for future operating losses.

4.10 Borrowings

Borrowings are initially recognized at the fair value of the consideration received less directly attribute transaction costs. After initial recognition, these are subsequently measured at amortized cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method. Borrowings are classified as current liabilities unless the establishment has an unconditional right to defer settlement of the liability for at least 12 months after the date of financial position.



4.11 Employee's end of service benefits

The Entity provides end of services benefits to its employees. The entitlement to those benefits is usually based upon the employees' length of services and the completion of a minimum services period. The expected costs of these benefits are accrued over the period of employment and in accordance with U.A.E. Labour Law.

4.12 Revenue recognition

The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the company's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved.

Revenue consist of fair value of consideration received or receivable as virtual print fees, sale of goods and services in the ordinary course of the company's activities. Sales are stated net of discounts and returns. Sales are recognized when the goods are delivered to the customer, the customer has accepted the goods and the collectability of the related receivables is reasonably assured. There is no continuing management involvement with the goods.

4.13 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.



5- PROPERTY, PLANT & EQUIPMENT (Net)

	Equipment	Leasehold improvements	Vehicles	Furniture & fixtures	Total
<u>Cost</u>	AED	AED	AED	AED	AED
As at 01/04/14	4,198,253	335,880	228,565	98,975	4,861,673
Additions	107,511	-	-	10,000	117,511
Deletions	(3,498)	-	-	-	(3,498)
As at 31/03/15	4,302,266	335,880	228,565	108,975	4,975,686
As at 01/04/14	1,807,360	156,242	106,482	29,646	2,099,730
For the year	843,338	96,808	72,535	17,467	1,030,148
Deletions	(1,618)	-	-	-	(1,618)
As at 31/03/15	2,649,080	253,050	179,017	47,113	3,128,260
<u>Net Book Value</u>					
As at 31/03/15	1,653,186	82,830	49,548	61,862	1,847,426
As at 31/03/14	2,390,893	179,638	122,083	69,329	2,761,943

(In the opinion of the management there is no impairment to the net book value of the property, plant & equipment as at 31st March 2015).



6- INVESTMENTS

	31-Mar-15	31-Mar-14
	AED	AED
Scrabble Entertainment (Lebanon) SARL - Lebanon	12,258	12,258
Scrabble Ventures S. de R.L. de C.V - Mexico	708	708
	12,966	12,966

These amounts represent capital investment made in these companies.

7- INVENTORY

	31-Mar-15	31-Mar-14
	AED	AED
Inventory	1,663,851	691,609
	1,663,851	691,609

Stock is valued by the management at the lower of cost or net realizable value after making due allowance for any obsolete or slow moving items. Cost is determined on weighted average basis . When spare parts become old or obsolete, an estimate is made of their realizable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence, based on historical selling prices.

8- ACCOUNTS RECEIVABLE

	31-Mar-15	31-Mar-14
	AED	AED
Trade debtors	11,380,144	10,096,771
Less: Doubtful debts provision	(406,842)	(116,492)
	10,973,302	9,980,279

Aging of Accounts Receivable

	31-Mar-15	31-Mar-14
	AED	AED
0 to 90 days	8,961,381	8,283,369
91 to 180 days	1,416,361	1,120,277
181 to 365 days	189,297	557,661
Above 365 days	813,105	135,464
	11,380,144	10,096,771



Although all debtors' balance are not confirmed, the management considers the receivables to be good and realizable.

Accounts receivable are stated net of any required provision and fair value approximates carrying value.

As at March 31, 2015 top 5 trade receivable balances represents 42% of the total trade receivable balances outstanding.

9- RELATED PARTY BALANCES

Related parties represent associated companies, shareholders, directors, and key management personnel of the Company and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

Transactions with related parties consist of goods received, advances given, expenses incurred and receipts on their behalf. The Company, in the ordinary course of business, enters into transactions with other business enterprises that fall within the definition of related parties contained in International accounting standard 24. Such transactions are made on terms and conditions believed by the Company to be comparable to those that could be obtained from third parties.

a) Due from related parties:-

	31-Mar-15	31-Mar-14
	AED	AED
M/s: Scrabble Digital JLT, Dubai	475,522	770,922
M/s: Scrabble Entertainment (Lebanon) SARL	221,736	176,288
	697,258	947,210

Summary of transactions:-

	Scrabble Digital JLT, Dubai	Scrabble Entertainment (Lebanon) SARL
	AED	AED
<u>Opening balance</u>	770,922	176,288
Sales	2,312	-
Receipts	(369,312)	-
Payments	71,600	45,448
<u>Closing balance</u>	475,522	221,736



b) Due to related parties:-

	31-Mar-15	31-Mar-14
	AED	AED
M/s: UFO International Limited, Cyprus	91,750	-
	91,750	-

Summary of transactions:-

	UFO International Limited, Cyprus AED
<u>Opening balance</u>	-
Purchases	183,500
Payments	(91,750)
<u>Closing balance</u>	91,750

10- LOAN TO SHAREHOLDER

	31-Mar-15	31-Mar-14
	AED	AED
M/s. Scrabble Entertainment (Mauritius) Ltd., Mauritius	3,128,499	2,880,774
	3,128,499	2,880,774

Loan to shareholder is the loan given to one of the shareholders, M/s: Scrabble Entertainment (Mauritius) Ltd, Mauritius and accrued interest up to March 31, 2015. As per the loan agreement, the outstanding loan amount carries an interest rate of 9% per annum and the borrower undertakes to repay the loan within seven days on demand.

11- DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES

	31-Mar-15	31-Mar-14
	AED	AED
Refundable deposits	60,950	83,029
Prepaid expenses	345,735	274,118
Staff advances	10,766	403
Advance to suppliers	194,951	446,364
	612,402	803,914



12- CASH IN HAND AND AT BANKS

Cash and cash equivalents included in the statement of cash flows comprise the following balance sheet amounts:

	31-Mar-15	31-Mar-14
	AED	AED
Cash in hand	4,368	20,417
RAK Bank, Dubai - current account AED	4,037,284	5,477,285
RAK Bank, Dubai - current account USD	939,010	1,999,744
	4,980,662	7,497,446

13- SHAREHOLDERS' CURRENT ACCOUNT

	31-Mar-15	31-Mar-14
	AED	AED
M/s. Scrabble Entertainment Limited., Mumbai	-	47,141
M/s. Scrabble Entertainment (Mauritius) Ltd., Mauritius	(3,302,563)	(3,302,563)
	(3,302,563)	(3,255,422)

14- LOANS AND ADVANCES

Equipment loan from Christie Digital Systems USA Inc.,

	31-Mar-15	31-Mar-14
	AED	AED
Non-current portion	-	990,165
	-	990,165
Current portion	-	848,694
	-	848,694

The outstanding loan amount balances carry interest @ 7 % per annum.

15- PROVISION FOR STAFF END OF SERVICE BENEFITS

	31-Mar-15	31-Mar-14
	AED	AED
Provision for Gratuity	197,420	129,371



In accordance with the provisions of IAS 19, management has carried out an exercise to assess the present value of its obligations at balance sheet dates, using the projected unit credit method, in respect of employees' end of service benefits payable under the UAE Labour Law. Under this method, an assessment has been made of an employee's expected service life with the company and the expected basic salary at the date of leaving the service. Other staff benefits like leave salary and air passage charges in accordance with U.A.E. Labour Law are accounted on actual payment basis.

16- ACCOUNTS PAYABLES

	31-Mar-15	31-Mar-14
	AED	AED
Trade Payable	8,902,580	9,778,467
	8,902,580	9,778,467
<u><i>Aging of Accounts Payable</i></u>		
0 to 90 days	4,907,667	2,624,808
91 to 180 days	2,983,584	6,744,869
181 to 365 days	326,807	384,568
Above 365 days	684,522	24,222
	8,902,580	9,778,467

As at March 31, 2015 top 5 trade payable balances represents 55% of the total trade payable balances outstanding.

17- ACCRUALS AND OTHER PAYABLES

	31-Mar-15	31-Mar-14
	AED	AED
Advance from customers	741,123	137,099
Post dated cheques issued	80,000	-
Other payables	9,175	-
	830,298	137,099

18- SALES

	31-Mar-15	31-Mar-14
	AED	AED
Equipments & spares	15,089,050	16,495,354
Virtual print fee	32,795,744	29,460,301
	47,884,794	45,955,655



19- COST OF SALES

	31-Mar-15	31-Mar-14
	AED	AED
Materials consumed	11,717,497	13,580,295
Virtual print fee expenses	22,548,821	20,250,790
Other direct expenses	341,534	1,528,341
	34,607,852	35,359,426

20- OTHER INCOME

	31-Mar-15	31-Mar-14
	AED	AED
Interest	349,241	204,802
Other income	255,800	188,552
	605,041	393,353

21- GENERAL AND ADMINISTRATIVE EXPENSES

	31-Mar-15	31-Mar-14
	AED	AED
Payroll and related expenses	1,961,111	1,605,080
Rent expenses	176,600	150,265
Electricity & water	64,959	59,859
License & registration fees	35,960	46,181
Business promotions	17,582	54,247
Travelling & conveyance expenses	129,003	136,741
Petrol & car maintenance	69,208	53,380
Postage, telephone, fax & internet	108,282	113,898
Printing & stationary	14,261	18,282
Professional fee	46,500	28,350
Immigration and visa expenses	22,977	11,256
Bad & doubtful debts	290,350	102,643
Miscellaneous & other expenses	134,697	108,916
	3,071,490	2,489,098



22- FINANCE CHARGES

	31-Mar-15	31-Mar-14
	AED	AED
Finance charges	58,639	160,612
Bank charges	22,592	26,442
	81,231	187,054

23- FINANCIAL INSTRUMENTS

a) Financial assets of the company include cash and bank balances, trade debtors, deposits and advances.

b) Financial liabilities include trade creditors, provisions, accruals and advances.

c) The fair values of the company's financial assets and liabilities are approximate to their carrying values.

d) In the opinion of the Management, all the assets as shown in the Financial Statements are existing and realizable at the amount shown against them, and there are no liabilities contingent or otherwise not included in the above Financial Statements.

e) *Cash and cash equivalents*

For the purpose of statement of cash flows, cash and cash equivalents include, cash and bank balances.

Financial risk management

The company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The company reviews and agrees policies for managing each of these risks and these policies are summarized below:

f) *Foreign currency risk*

The company does not have any significant foreign currency exposure and all of the transactions of the Company are in the reporting currency. Hence the Company is not subject to currency risk.

g) *Credit risk*

Credit risk is the risk that the counterparty will cause a financial loss to the company by failing to discharge an obligation.

Credit risk arise from cash and cash equivalents, trade receivables and due from related parties. The company has policies in place to ensure that it's exposure to credit risk is minimal by setting credit for individual customers and monitoring outstanding receivables.

Cash and cash equivalents are placed with local banks of good repute. Credit risk on trade receivables is limited due to large customer base and their dispersion across wide range of industries and businesses.

h) *Liquidity risk*

Prudent liquidity risk management includes maintaining sufficient cash balances. The company maintains sufficient flexibility in funding by keeping sufficient cash balances available.



i) Fair values

The fair values of the unit's financial assets and liabilities are not materially different from their carrying values in the balance sheet date .

24- CONTINGENT LIABILITY

Except for the below, the ongoing business obligations which are under normal course of business against which no loss is expected, there has been no other known contingent liability or capital commitment of company's account as of balance sheet date.

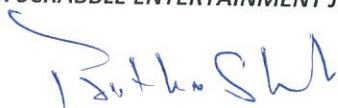
	31-Mar-15	31-Mar-14
	AED	AED
Labour Guarantee	33,000	27,000
	33,000	27,000

25- GENERAL

a) The figures in the financial statements are rounded to the nearest U.A.E Dirham.

b) Certain comparative figures are regrouped and rearranged wherever necessary to conform to the presentation adopted in these financial statements. Such reclassification do not affect previously reported net income or Shareholders' equity.

FOR SCRABBLE ENTERTAINMENT JLT



Mr. Pruthu Rajesh Shah

Manager

