

**REPORT OF THE DIRECTORS AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009  
FOR  
CLIPSTREAM LIMITED**



**CLIPSTREAM LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2009**

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**CLIPSTREAM LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2009**

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<b>DIRECTORS:</b>	A Doshi R Y Sah
<b>SECRETARY:</b>	Derringtons Limited
<b>REGISTERED OFFICE:</b>	64 Dean Street London W1D 4QQ
<b>REGISTERED NUMBER:</b>	03983004 (England and Wales)
<b>AUDITORS:</b>	Sterling Associates Chartered Accountants & Registered Auditors 5 Theobald Court Theobald Street Elstree Hertfordshire WD6 4RN

**CLIPSTREAM LIMITED**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2009**

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The directors present their report with the financial statements of the company for the year ended 31 March 2009.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the provision of online media solutions for corporations.

**REVIEW OF BUSINESS**

The profit for the year after taxation was £30,943 (2008 - Nil).

**DIVIDENDS**

No dividends will be distributed for the year ended 31 March 2009.

**DIRECTORS**

A Doshi has held office during the whole of the period from 1 April 2008 to the date of this report.

Other changes in directors holding office are as follows:

R Y Sah - appointed 5 June 2008

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

On 31 March 2009, Sterling Chartered Accountants confirmed their resignation as the company's auditors. In accordance with section 485 of the Companies Act 2006, Sterling Associates were appointed as the new auditors.

The Sterling Associates, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



.....  
A Doshi - Director

Date: ..... Jan 30, 2010

## REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF CLIPSTREAM LIMITED

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We have audited the financial statements of Clipstream Limited for the year ended 31 March 2009 on pages four to seven. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page two.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

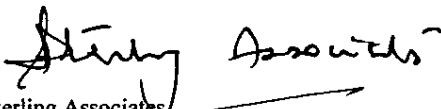
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.



Sterling Associates  
Chartered Accountants  
& Registered Auditors  
5 Theobald Court  
Theobald Street  
Elstree  
Hertfordshire  
WD6 4RN

Date: 30/1/10

**CLIPSTREAM LIMITED****PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2009**

	Notes	2009 £	2008 £
<b>TURNOVER</b>		<b>659,547</b>	-
Cost of sales		<u>198,604</u>	-
<b>GROSS PROFIT</b>		<b>460,943</b>	-
Administrative expenses		<u>430,000</u>	-
<b>OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	3	<b>30,943</b>	-
Tax on profit on ordinary activities	4	-	-
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u><b>30,943</b></u>	-

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current year or previous year.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profit for the current year.

The notes form part of these financial statements

**CLIPSTREAM LIMITED**

**BALANCE SHEET  
31 MARCH 2009**

	Notes	2009 £	2008 £
<b>CURRENT ASSETS</b>			
Debtors	5	30,943	852,845
<b>CREDITORS</b>			
Amounts falling due within one year	6	932,817	1,785,662
<b>NET CURRENT LIABILITIES</b>		<u>(901,874)</u>	<u>(932,817)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(901,874)</u>	<u>(932,817)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	2	2
Profit and loss account	9	901,876	932,819
<b>SHAREHOLDERS' FUNDS</b>	13	<u>901,874</u>	<u>932,817</u>

The financial statements were approved by the Board of Directors on 30/0/2010 and were signed on its behalf by:



.....  
A Doshi - Director

# CLIPSTREAM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention.

The accounts have been prepared on a going concern basis based on continued support from the parent and the ultimate holding company.

#### Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

#### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

#### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

### 2. STAFF COSTS

There were no staff costs for the year ended 31 March 2008 nor for the period ended 31 March 2007.

### 3. OPERATING PROFIT

The operating profit is stated after charging:

	2009 £	2008 £
Directors' emoluments	-	-

### 4. TAXATION

#### Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2009 nor for the year ended 31 March 2008.

### 5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Amounts owed by group undertakings	30,943	852,845

### 6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Amounts owed to group undertakings	932,817	1,785,662

### 7. OPERATING LEASE COMMITMENTS

No disclosure has been made of annual commitments under non-cancellable operating leases in respect of land and buildings because Prime Focus London plc, the parent company holds these leases. The accounts of Prime Focus London plc disclose the leasing obligations in respect of land and buildings.



**CLIPSTREAM LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2009**

**8. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2009	2008
		£1	£	£
2	Ordinary		<u>2</u>	<u>2</u>

**9. RESERVES**

	<b>Profit and loss account</b>
	<b>£</b>
At 1 April 2008	<b>(932,819)</b>
Profit for the year	<b>30,943</b>
At 31 March 2009	<b><u>(901,876)</u></b>

**10. ULTIMATE PARENT COMPANY**

The immediate parent company is VTR Media Investments Limited and the parent company is Prime Focus London plc. Both companies are incorporated in Great Britain and registered in England and Wales. The consolidated accounts of the group are available to the public and may be obtained from Prime Focus London plc, 64 Dean Street, London W1D 4QQ. The ultimate parent company is Prime Focus Limited, a company incorporated in India.

**11. CONTINGENT LIABILITIES**

The company is included in a group registration for VAT purposes with:

Blue Post Production Limited  
KPost Limited  
VTR Media Investments Limited  
The Hive Animation Limited  
The Machine Room Limited  
Prime Focus London plc

and is therefore jointly and severally liable for any unpaid debts in this connection.

**12. RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemptions from disclosing transactions with group companies available to subsidiary undertakings under FRS8.

**13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2009	2008
	£	£
Profit for the financial year	<b>30,943</b>	-
<b>Net addition to shareholders' funds</b>	<b>30,943</b>	-
Opening shareholders' funds	<b>(932,817)</b>	<b>(932,817)</b>
<b>Closing shareholders' funds</b>	<b><u>(901,874)</u></b>	<b><u>(932,817)</u></b>