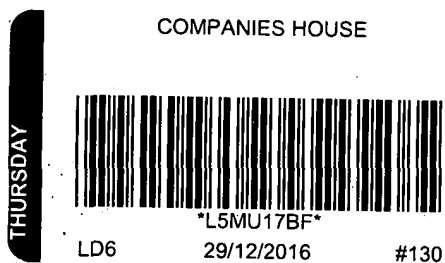


REGISTERED NUMBER: 05613283 (England and Wales)

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016
FOR
FONESTARZ MEDIA GROUP LIMITED**



**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

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FONESTARZ MEDIA GROUP LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2016**

DIRECTORS:

I M Velasco
S Georgy

SECRETARY:

Pebble Beach Business Services Limited

REGISTERED OFFICE:

505 Pinner Road
Harrow
Middlesex
HA2 6EH

REGISTERED NUMBER:

05613283 (England and Wales)

AUDITORS:

Sterling
Chartered Accountants
& Statutory Auditors
505 Pinner Road
Harrow
Middlesex
HA2 6EH

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2016**

The directors present their report with the financial statements of the company for the year ended 31 March 2016.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of a holding company. The company also undertakes the development of the Group's Daius platform, which is used by the group companies.

DIRECTOR

I M Velasco held office during the whole of the period from 1 April 2015 to the date of this report.

Other changes in directors holding office are as follows:

S Georgy was appointed as a director after 31 March 2016 but prior to the date of this report.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Report of the Directors and 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting estimates that are reasonable and prudent;

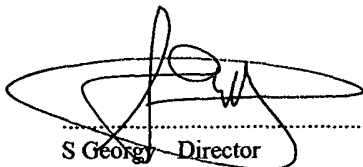
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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 418 of the Companies Act 2006) 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.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
S Georgy Director

Date:29/12/2016.....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FONESTARZ MEDIA GROUP LIMITED

We have audited the financial statements of Fonestarz Media Group Limited for the year ended 31 March 2016 on pages five to fourteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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

As explained more fully in the Directors' Responsibilities Statement set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements and in accordance with the applicable legal requirement.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FONESTARZ MEDIA GROUP LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.



Bharat Vanza BSc(Hons) ACA FCCA (Senior Statutory Auditor)
for and on behalf of Sterling
Chartered Accountants
& Statutory Auditors
505 Pinner Road
Harrow
Middlesex
HA2 6EH

Date: 29th DECEMBER 2016

FONESTARZ MEDIA GROUP LIMITED (REGISTERED NUMBER: 05613283)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016**

	Notes	31/3/16 £	31/3/15 £
TURNOVER		-	28,006
Administrative expenses		<u>11,390</u>	<u>67,359</u>
OPERATING LOSS and LOSS BEFORE TAXATION	4	(11,390)	(39,353)
Tax on loss	6	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR		<u>(11,390)</u>	<u>(39,353)</u>

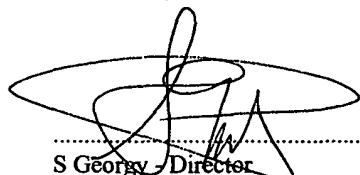
The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 MARCH 2016

	Notes	31/3/16 £	31/3/15 £
FIXED ASSETS			
Intangible assets	7	-	-
Tangible assets	8	12,423	22,315
Investments	9	2,520	2,520
		<u>14,943</u>	<u>24,835</u>
CURRENT ASSETS			
Debtors	10	<u>79,378</u>	<u>80,876</u>
NET CURRENT ASSETS		<u>79,378</u>	<u>80,876</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>94,321</u></u>	<u><u>105,711</u></u>
CAPITAL AND RESERVES			
Called up share capital	11	6,582	6,582
Share premium	12	1,769,520	1,769,520
Retained earnings	12	(1,681,781)	(1,670,391)
SHAREHOLDERS' FUNDS		<u><u>94,321</u></u>	<u><u>105,711</u></u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on29/12/2016..... and were signed on its behalf by:



.....
S Georgy - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2014	6,582	(1,631,038)	1,769,520	145,064
Changes in equity				
Total comprehensive income	-	(39,353)	-	(39,353)
Balance at 31 March 2015	6,582	(1,670,391)	1,769,520	105,711
Changes in equity				
Total comprehensive income	-	(11,390)	-	(11,390)
Balance at 31 March 2016	6,582	(1,681,781)	1,769,520	94,321

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. STATUTORY INFORMATION

Fonestarz Media Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

This is the first year that the company has presented its financial statements under FRS102. The last financial statements for the year ended 31 March 2015 were prepared under previous UK GAAP.

The transition date to FRS 102 is 1 April 2014.

Frs102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows
- transactions entered between two or more members of the group as per Paragraph 1AC.35

Turnover

Turnover represents the recharge for the use of Daius platform and has been recognised excluding any Value Added Tax or other Sales Taxes.

Intangible fixed assets and amortisation

The Daius platform is held at cost and is amortised over its useful economic life of four years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

- | | |
|-----------------------|------------------|
| Fixtures and fittings | - 33% on cost |
| Computer equipment | - 33.33% on cost |

Deferred tax

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

Investments

Investments held as fixed assets are shown at cost less provision for impairment.

Changes in accounting policies

The transition to FRS 102 Section 1A small entities has resulted in a small number of changes in the accounting policies to those used previously.

The nature of these changes and their impact on the opening equity and profit for the comparative period are explained in notes and below.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016

2. ACCOUNTING POLICIES - continued

Holiday pay accrual

Prior to adoption of FRS102, the company did not have any policy of accruing cost for holiday pay costs

Subsequently, the company has adopted the policy of accruing the holiday pay costs, however, there are no holidays to be carried forward for the year ended 31 March 2015 and 31 March 2016.

3. EMPLOYEES AND DIRECTORS

On average, 1 director was employed during the year.

4. OPERATING LOSS

The operating loss is stated after charging:

	31/3/16	31/3/15
	£	£
Depreciation - owned assets	9,892	12,468
Daius Platform amortisation	-	53,346
	<u> </u>	<u> </u>

5. AUDITORS' REMUNERATION

	31/3/16	31/3/15
	£	£
Auditor's remuneration	1,500	1,500

Audit fees have been split between the company and Fonestarz Media Group Limited, its holding company, on a basis which is considered reasonable.

6. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose for the year ended 31 March 2016 nor for the year ended 31 March 2015.

Deferred taxation has not been provided considering accumulated losses and absence of prospective profits in the near future.

7. INTANGIBLE FIXED ASSETS

	Daius Platform £
COST	
At 1 April 2015 and 31 March 2016	<u>291,139</u>
AMORTISATION	
At 1 April 2015 and 31 March 2016	<u>291,139</u>
NET BOOK VALUE	
At 31 March 2016	<u> </u>
At 31 March 2015	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2015 and 31 March 2016	68,685	29,902	98,587
DEPRECIATION			
At 1 April 2015	68,685	7,587	76,272
Charge for year	-	9,892	9,892
At 31 March 2016	68,685	17,479	86,164
NET BOOK VALUE			
At 31 March 2016	-	12,423	12,423
At 31 March 2015	-	22,315	22,315

9. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 April 2015 and 31 March 2016	2,520
NET BOOK VALUE	
At 31 March 2016	2,520
At 31 March 2015	2,520

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

2DayUK Limited

Registered office:

Nature of business: Digital media services to mobile phone industry

Class of shares:	%
Ordinary Shares	holding 100.00

	31/3/16 £	31/3/15 £
Aggregate capital and reserves	895,711	464,015
Profit for the year	431,696	459,108

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2016

9. FIXED ASSET INVESTMENTS - continued

FoneStarz Media (Licensing) Limited

Registered office:

Nature of business: Dormant

	% holding	31/3/16	31/3/15
Class of shares:		£	£
Ordinary Shares	100.00	10	10
Aggregate capital and reserves		<u>10</u>	<u>10</u>

Daius Limited

Registered office:

Nature of business: Dormant

	% holding	31/3/16	31/3/15
Class of shares:		£	£
Ordinary Shares	100.00	10	10
Aggregate capital and reserves		<u>10</u>	<u>10</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/3/16	31/3/15
	£	£
Amounts owed by group undertakings	<u>79,378</u>	<u>80,876</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal	31/3/16	31/3/15
Number:	Class:	value:	£	£
6,582,000	Ordinary Shares	£ 0.001	<u>6,582</u>	<u>6,582</u>

12. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 April 2015	(1,670,391)	1,769,520	99,129
Deficit for the year	(11,390)		(11,390)
At 31 March 2016	<u>(1,681,781)</u>	<u>1,769,520</u>	<u>87,739</u>

13. ULTIMATE CONTROLLING PARTY

The director regard OnMobile Live Inc, a company incorporated in Miami (USA) as the parent company.

The directors consider that OnMobile Global Ltd, a company incorporated in India, as the company's ultimate controlling party.

RECONCILIATION OF EQUITY

1 APRIL 2014

(DATE OF TRANSITION TO FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets		53,346	-	53,346
Tangible assets		4,881	-	4,881
Investments		2,565	-	2,565
		<u>60,792</u>	<u>-</u>	<u>60,792</u>
CURRENT ASSETS				
Debtors		84,272	-	84,272
		<u>84,272</u>	<u>-</u>	<u>84,272</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>145,064</u>	<u>-</u>	<u>145,064</u>
NET ASSETS		<u>145,064</u>	<u>-</u>	<u>145,064</u>
CAPITAL AND RESERVES				
Called up share capital		6,582	-	6,582
Share premium		1,769,520	-	1,769,520
Retained earnings		(1,631,038)	-	(1,631,038)
SHAREHOLDERS' FUNDS		<u>145,064</u>	<u>-</u>	<u>145,064</u>

The notes form part of these financial statements

RECONCILIATION OF EQUITY - continued
31 MARCH 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		22,315	-	22,315
Investments		2,520	-	2,520
		<u>24,835</u>	<u>-</u>	<u>24,835</u>
CURRENT ASSETS				
Debtors		80,876	-	80,876
		<u>80,876</u>	<u>-</u>	<u>80,876</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>105,711</u>	<u>-</u>	<u>105,711</u>
NET ASSETS		<u>105,711</u>	<u>-</u>	<u>105,711</u>
CAPITAL AND RESERVES				
Called up share capital		6,582	-	6,582
Share premium		1,769,520	-	1,769,520
Retained earnings		(1,670,391)	-	(1,670,391)
		<u>105,711</u>	<u>-</u>	<u>105,711</u>
SHAREHOLDERS' FUNDS		<u>105,711</u>	<u>-</u>	<u>105,711</u>

The notes form part of these financial statements

**RECONCILIATION OF LOSS
FOR THE YEAR ENDED 31 MARCH 2015**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	28,006	-	28,006
Administrative expenses	(67,359)	-	(67,359)
OPERATING LOSS	(39,353)	-	(39,353)
and			
LOSS BEFORE TAXATION	(39,353)	-	(39,353)
Tax on loss	-	-	-
LOSS FOR THE FINANCIAL YEAR	<u>(39,353)</u>	<u>-</u>	<u>(39,353)</u>

The notes form part of these financial statements