

Registered number: 5957372

**AYNGARAN INTERNATIONAL (UK) LTD**  
**REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

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**AYNGARAN INTERNATIONAL (UK) LTD  
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FOR THE YEAR ENDED 31ST MARCH 2016**

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**AYNGARAN INTERNATIONAL (UK) LTD**

**Company Information**

**Directors** K Karunamoorthy  
R Manickavasagar  
D Chudasama (appointed 18/06/2015 and resigned 18/04/2016)

**Registered Office** Unit 19 Lyon Road  
Wimbledon  
London  
SW19 2RL

**Registration Number** 5957372

**Auditors** Chris Seeromben & Co.  
298 High Street North,  
Manor Park,  
London.  
E12 6SA

**AYNGARAN INTERNATIONAL (UK) LTD**  
**STRATEGIC REPORT**

***FOR THE YEAR ENDED 31ST MARCH 2016***

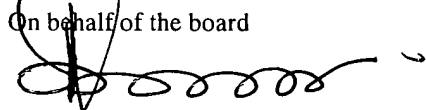
The directors present their report and financial statements for the year ended 31st March 2016.

**Review of the business**

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future.

The company's principal foreign currency exposures arise from trading with overseas companies. Company policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling.

On behalf of the board

A handwritten signature in black ink, consisting of a large loop followed by a series of smaller loops and a trailing flourish.

Rohan Manickavasagar  
Director

**AYNGARAN INTERNATIONAL (UK) LTD**  
**DIRECTORS' REPORT**

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

**PRINCIPAL ACTIVITY**

The principal activity of the company during the year under review was production of motion pictures and video and worldwide sale and distribution of the screening rights.

**REVIEW OF BUSINESS**

The directors consider the results on ordinary activities to be satisfactory. The directors consider the future of the company to be secure.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The directors have considered all principal risks and uncertainties and do not envisage any problem in the future.

**GOING CONCERN AND LIQUIDITY RISK**

The directors do not envisage any going concern or liquidity problems because of the ongoing support of the Holding Company.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Directors' report 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 the law the directors have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 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.

In so far as the directors are aware:

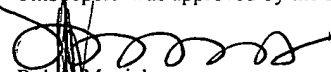
- there is no relevant information needed by the company's auditors in connection with preparing their report of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

Chris Seeromben & Co offers themselves for re-appointment as auditors in accordance with Section 485 of the Companies Act 2006.

**BOARD APPROVAL**

This report was approved by the Board on 17/3/2017 and signed on its behalf by:

  
Rohan Manickavasagar  
Director

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AYNGARAN INTERNATIONAL (UK) LTD**

We have audited the financial statements of Ayngaran International (UK) Ltd for the year ended 31 March 2016 set out on pages 5 to 9. 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). 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 work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report 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 the directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities 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.

### **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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

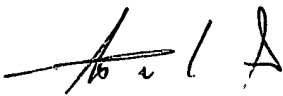
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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.



Paramananda Seeromben FCCA (Senior Statutory Auditor)

for and on behalf of Chris Seeromben & Co

Chartered Certified Accountants

298, High Street North,

Manor Park, London. E12 6SA

Date: 17/3/2017

**AYNGARAN INTERNATIONAL ( UK) LTD**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2016.**

		<b>2016</b>	<b>2015</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Turnover		1,557,888	2,995,672
Cost of sales		<u>(1572593)</u>	<u>(2356073)</u>
Gross (loss) /Profit		<u>(14705)</u>	639599
Distribution costs		(21339)	(25621)
Administrative expenses		<u>(501645)</u>	<u>(538338)</u>
Operating (loss)/Profit	2	<u>(537689)</u>	75640
Interest payable		<u>-</u>	<u>(761)</u>
(Loss) / Profit on ordinary activities before taxation		(537689)	74879
Taxation	3	<u>-</u>	<u>-</u>
(Loss) /Profit on ordinary activities after taxation		<u><u>(537689)</u></u>	<u><u>74879</u></u>
All transactions arise from continuing operations			

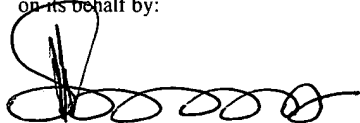
The company has no recognised gains and losses other than the profit for the above period.

The notes on pages 7 to 9 form an integral part of these financial statements.

**AYNGARAN INTERNATIONAL (UK) LTD**  
**BALANCE SHEET AS AT 31ST MARCH 2016**

	Notes	2016	2015
		£	£
<b>FIXED ASSETS</b>			
Intangible Fixed Assets	4	491,313	777,549
Tangible Fixed Assets	5	1,048	1,432
		<u>492,361</u>	<u>778,981</u>
<b>CURRENT ASSETS</b>			
Debtors	6	214,765	1,203,432
Cash at bank and in hand		14,730	1,232
		<u>229,495</u>	<u>1,204,664</u>
<b>CREDITORS: Amounts falling due within one year</b>	7	<u>(922790)</u>	<u>(1259829)</u>
<b>NET CURRENT (LIABILITIES)</b>		<u>(693295)</u>	<u>(55165)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(200934)	723816
<b>CREDITORS: Amounts falling due after more than one year</b>	8	(3165311)	(3552372)
		<u>(3366245)</u>	<u>(2828556)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	1	1
Profit and loss account	10	(3366246)	(2828557)
<b>Shareholders Funds</b>	11	<u>(3366245)</u>	<u>(2828556)</u>

These financial statements were approved by the Board of Directors on 17/3/2017 and were signed on its behalf by:



Rohan Manickavasagar  
Director

Company registration number: 5957372

The notes on pages 7 to 9 form an integral part of these financial statements.



## **AYNGARAN INTERNATIONAL (UK) LTD**

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

#### **1 BASIS OF PREPARATION**

The financial statements are prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

The financial statements present information about the company as an individual undertaking. Being an indirect subsidiary, the accounts are consolidated in Eros International PLC, the ultimate parent company.

#### **Turnover and revenue recognition**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year and derives from the provision of goods falling within the company's ordinary activities. The revenue is recognised for the services as the services are performed.

#### **Cash flow Statement**

The directors have taken the advantage of exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statement on the grounds that the company is a subsidiary company and ultimate parent publishes a consolidated cash flow statement.

#### **Film and Audio/Video Licensing Rights (Contents)**

Investments in films and associated rights, including acquired rights and distribution advances in respect of completed films, are stated at cost less amortisation less provision for impairment. A charge is made to write down the cost of completed rights over the estimated useful lives except where the asset is not yet available for exploitation.

#### **Amortisation Film and Audio/Video Licensing Rights**

The company's policy in amortising intangible assets is as follows:

The amortisation charge is recognised in the income statement within cost of sales.

Film Licensing rights are divided into 3 groups-Theatrical, DVD and TV & Satellite in the ratio of 50:30:20. Theatrical rights are amortised 100% in the first year while DVD and TV rights are amortised at the rate of 50% in the first year, 30% in the second year and 20% in the third year. Audio and Licensing Rights are amortised over 10 years. Blue Ray Technology: 25% straight line

#### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is calculated to write down cost less estimated residual value of all tangible fixed assets. The rates applicable are:

Motor Vehicle: 20% straight line

Equipment: 20% straight line

Stocks which comprise videos and DVDs are valued at the lower of cost and net realisable value of each of item or group of items, after making due allowance for obsolete and slow moving items.

#### **Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Any exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were initially recorded are recognised in profit or loss in the period in which they arise. Exchange differences on non-monetary items are recognised in the statement of changes in equity to the extent that they relate to a gain or loss on that non-monetary item, otherwise such gains and losses are recognised in the income statement

#### **Deferred taxation**

The charge for taxation takes into account taxation deferred as a result of timing differences between the treatment of certain items for taxation and accounting purposes. In general deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. However deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred taxation balances are not discounted.

**AYNGARAN INTERNATIONAL (UK) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

**2. OPERATING (LOSS) /PROFIT**

	2016 £	2015 £
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Operating (loss)/Profit is stated after charging:

Directors' emoluments	85,429	65,991
Amortisation of intangible fixed assets	1,252,627	2,117,436
Depreciation of tangible fixed assets	1,033	992
Auditors' remuneration	3,500	3,500

**3. TAXATION**

	£	£
UK Corporation tax	-	-

**4. INTANGIBLE FIXED ASSETS**

	Audio Rights £	Film Rights £	Total £
<b>Cost</b>			
At 1st April 2015	131,418	21,820,591	21,952,009
Additions	-	966,391	966,391
At 31st March 2016	131,418	22,786,982	22,918,400

**Depreciation**

At 1st April 2015	95,623	21,078,837	21,174,460
Charge for the year	13,141	1,239,486	1,252,627
At 31st March 2016	108,764	22,318,323	22,427,087

**Net Book Value;**

At 31st March 2016	22,654	468,659	491,313
At 31st March 2015	35,795	741,754	777,549

**TANGIBLE FIXED ASSETS**

	Equipment Fixtures & fittings £	Total £
<b>Cost</b>		
At 1st April 2015	16,580	16,580
Additions	649	649
At 31st March 2016	17,229	17,229

**Depreciation**

At 1st April 2015	15,148	15,148
Charge for the year	1,033	1,033
At 31st March 2016	16,181	16,181

**Net Book Value:**

At 31st March 2016	1,048	1,048
At 31st March 2015	1,432	1,432

**AYNGARAN INTERNATIONAL (UK) LTD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2016**

<b>6 DEBTORS</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade debtors	214,765	1,203,432
	<u>214,765</u>	<u>1,203,432</u>
<b>7 CREDITORS: Amounts falling due within one year</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade creditors	496,128	918,185
Amounts owed to group undertakings	261,262	195,241
Social security and other taxes	140,028	128,325
Accruals	25,372	18,078
	<u>922,790</u>	<u>1,259,829</u>
<b>8 CREDITORS: Amounts falling due after more than one year</b>		
Amounts owed to group undertaking	3,165,311	3,552,372
	<u>3,165,311</u>	<u>3,552,372</u>
<b>9 CALLED UP SHARE CAPITAL</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
1000 ordinary shares of £1 each	<u>1000</u>	<u>1000</u>
<b>Allotted issued and fully paid</b>		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>
<b>10 RESERVES</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
At 1st April 2015	(2828557)	(2903436)
(Loss)/Profit for the year	(537689)	74879
At 31st March 2016	<u>(3366246)</u>	<u>(2828557)</u>
<b>11 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
(Loss)/Profit for the year	(537689)	74879
Opening shareholders' funds	(2828556)	(2903435)
Closing shareholders' funds	<u>(3366245)</u>	<u>(2828556)</u>
<b>12 RELATED PARTY DISCLOSURES</b>		
The company has claimed exemption under FRS 8 from disclosing transactions with fellow 100% subsidiaries.		
	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Amounts owed by/ (to) at 31st March</b>		
Eros International Ltd	<u>(225626)</u>	<u>(160723)</u>
<b>Transactions during the year</b>		
Sales to related parties	<u>-</u>	<u>7,181</u>
<b>13 ULTIMATE PARENT UNDERTAKING</b>		
Ayngaran International Ltd (registered in the Isle of Man) is the holding company of Ayngaran International (UK) Ltd and the ultimate holding company is Eros International PLC (registered in the Isle of Man)		