



Financial Statements United 7 Entertainment Limited

For the Period from 16 December 2010 to 30 April 2012



Company No. 07319207

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Report of the director

The director presents his report and the financial statements of the company for the period from 16 December 2010 to 30 April 2012

Principal activities

The company was incorporated on the 20 July 2010. The principal activity of the company during the year was production of the feature film 'Tezz'.

Director

The director who served the company during the period was as follows:

Mr Thakrar

Director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the director 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 those financial statements, the director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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 director is aware:

- there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

United 7 Entertainment Limited
Financial statements for the period from 16 December 2010 to
30 April 2012

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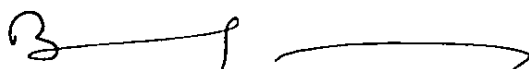
Auditor

Grant Thornton UK LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

ON BEHALF OF THE BOARD



B K H Thakrar

Director

Date 19 SEPTEMBER 2012



Independent auditor's report to the members of United 7 Entertainment Limited

We have audited the financial statements of United 7 Entertainment Limited for the period from 16 December 2010 to 30 April 2012. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 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 an auditor's 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 director and auditors

As explained more fully in the Director's Responsibilities Statement set out on page 3, the director is 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 (APB'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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. 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 30 April 2012 and of its result for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Independent auditor's report to the members of United 7 Entertainment Limited (continued)

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 period 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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the report of the director

Grant Thornton UK LLP

Christine Corner
Senior Statutory Auditor

For and on behalf of Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants

London

Date

19th September 2012

Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

The turnover represents the sale of the completed film "Tezz", which was delivered to the commissioning distributor during the period ended 30 April 2012

Production costs – work in progress and cost of sales

Work in progress represents the actual cost incurred during the period in relation to the production of the film "Tezz". Work in progress is recorded at lower of cost and net realisable value

Upon delivery of the completed film, the production costs are charged to the profit and loss account

Foreign currencies

Monetary 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 the transaction

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity

Profit and loss account

	Note	Period from 16 Dec 10 to 30 Apr 12 £	Year to 15 Dec 10 £
Turnover	1	6,936,795	—
Cost of sales		(8,432,258)	—
Gross loss		(1,495,463)	—
Interest receivable		86	—
Loss on ordinary activities before taxation	2	(1,495,377)	—
Tax on loss on ordinary activities	3	(1,010,064)	(485,313)
(Loss)/profit for the financial period	8	<u>(485,313)</u>	<u>485,313</u>

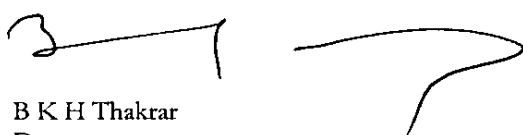
The accompanying accounting policies and notes form part of these financial statements.

Balance sheet

	Note	30 Apr 12 £	15 Dec 10 £
Current assets			
Work in progress		–	4,246,463
Debtors	4	1,480,516	614,452
Cash at bank		14,565	48,345
		<u>1,495,081</u>	<u>4,909,260</u>
Creditors: amounts falling due within one year	5	1,494,981	4,423,847
		<u>100</u>	<u>485,413</u>
Net current assets		<u>100</u>	<u>485,413</u>
Total assets less current liabilities		<u>100</u>	<u>485,413</u>
Capital and reserves			
Called-up equity share capital	7	100	100
Profit and loss account	8	-	485,313
		<u>100</u>	<u>485,413</u>
Shareholders' funds		<u>100</u>	<u>485,413</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved and signed by the director and authorised for issue on 19/9/12


B K H Thakrar
Director

Company Registration Number 07319207

Notes to the financial statements

1 Turnover

All turnover recognised during the period relates to the sale of the completed film, "Tezz"

The completed film was acquired by Venus Worldwide Entertainment PVT Limited, a company incorporated in India

2 Operating loss

Operating loss is stated after charging

	Period from 16 Dec 10 to 30 Apr 12 £	Year to 15 Dec 10 £
Auditor's fees	<u>10,750</u>	<u>13,750</u>

3 Taxation on ordinary activities

Analysis of charge in the period

	Period from 16 Dec 10 to 30 Apr 12 £	Year to 15 Dec 10 £
Current tax		
UK Corporation tax based on the results for the period	(1,010,064)	(485,313)
Total current tax	<u>(1,010,064)</u>	<u>(485,313)</u>

The tax credit recognised during the period ended 30 April 2012 relates to UK film tax credit claim in relation to the company's principal activity

4 Debtors

	30 Apr 12 £	15 Dec 10 £
Accrued income	280,501	-
Corporation tax repayable	1,195,377	485,313
VAT recoverable	4,538	129,039
Other debtors	100	100
	<u>1,480,516</u>	<u>614,452</u>

The corporation tax repayable at 30 April 2012 related to a UK film tax credit claim in relation to "Tezz"

Notes to the financial statements

5 Creditors: amounts falling due within one year

	30 Apr 12	15 Dec 10
	£	£
Bank loan	584,972	-
Trade creditors	766,270	2,128,535
Distribution advances	-	2,194,692
Other taxation and social security	131,785	87,450
Other creditors	11,954	13,170
	<u>1,494,981</u>	<u>4,423,847</u>

At 30 April 2012 a mortgage debenture and a charge over a bank account existed in favour of Coutts & Co. The outstanding bank loan is secured against the UK Film Tax Credit (See notes 3 and 4)

6 Related party transactions

There were no related party transactions during the period that required disclosure under the Companies Act 2006

7 Share capital

Authorised share capital

	30 Apr 12	15 Dec 10
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted and called up

	30 Apr 12		15 Dec 10	
	No	£	No	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

8 Profit and loss account

	Period from 16 Dec 10 to 30 Apr 12	Year to 15 Dec 10
	£	£
Balance brought forward	485,313	-
(Loss) / profit for the financial period	<u>(485,313)</u>	<u>485,313</u>
Balance carried forward	<u>-</u>	<u>485,313</u>

9 Ultimate controlling party

The company is owned and controlled by the sole director, B K H Thakrar