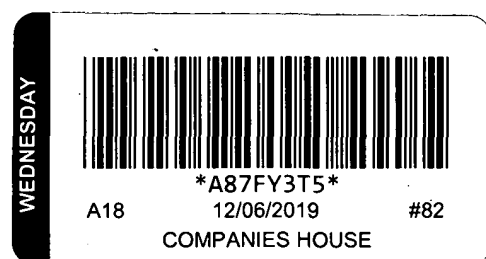


Asia T.V. Limited
Annual Report and Financial Statements
For the year ended 31 March 2019



Company Registration No. 2716006 (England & Wales)

Asia T.V. Limited

Annual Report and financial statements 2019

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Asia T.V. Limited

Annual Report and financial statements 2019

Officers and professional advisers

Directors

A Goenka
A Davis
P Goel

Secretary

P Goel

Registered Office

Lower Ground Floor
One George Yard
London
EC3V 9DF

Bankers

Barclays Bank
Level 27
1 Churchill Place
London
E14 5HP

Auditor

Kingston Smith LLP
Betchworth House
57-65 Station Road
Redhill
Surrey
RH1 1DL

Lawyer

Page White and Farrer
Bedford House
John Street
London
WC1N 2BF

Asia T.V. Limited

Strategic report

The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

Results for the year

The key performance indicators for the company are total sales earned through distribution of content supplied by Asia Today Limited. Asia T.V. Limited distributes the content on various DTH (direct to home), cable and other internet platforms in UK & Europe to South Asian viewers in the territory. As shown in the company's profit and loss account on page 8, the company's sales have decreased from £21,617,348 to £15,832,956 because of lower license fee from USA in 2018-19; profit after tax has decreased from £939,792 to £737,384. The performance of Asia T.V. Limited is discussed in Zee Entertainment Enterprises Limited's annual report which does not form part of this report.

Business review and principal activities

Asia T.V. Limited is a wholly-owned subsidiary of Asia Today Limited, Mauritius and is limited by shares. Asia Today Limited's parent company is Zee Entertainment Enterprises Ltd (ZEEL), India.

The company's principal activity is distributing Asian language television channels of Asia Today Limited Mauritius, which are under the brand Zee in UK and in Europe, USA & Canada through subsidiary companies. There have not been any significant changes in the company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

Asia T.V. Limited is committed to providing the highest levels of entertainment and we are confident of being able to offer viewers an attractive enrichment to the existing range of television offerings. During the previous year Zee Network artists visited the UK and interacted with the viewers in major cities in the UK. Asia T.V. Limited participated and sponsored some of the country's biggest South Asian ground events such as Zee London Mela, Zee Birmingham Mela, Zee Luton Mela and Zee Manchester Mela and reached to over a million people through various activities.

The company is investing in research in expanding markets for new product launches.


Employees are our vital and most valuable assets. The directors value the professionalism and commitment of all employees of the company and place on record their appreciation of the contribution made by them, which has contributed to the company's success.

Principle risks and uncertainties facing the company have been discussed in the Director's report.

Future Developments

Asia TV Limited is planning to launch a digital service to provide Zee channels to its viewers in 2019-20 via a mobile/ TV app. The service named as Z5 (Zee 5) has already started in Indian territory and will be available for viewers in the UK/ Europe in 2019-20. The strategy is to grow the existing subscription base and target customers from the region who cannot access Zee channels via any cable or satellite platforms.

Approved by the Board of Directors and signed on behalf of the Board.



P Goel
Director
11 April 2019

Asia T.V. Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 March 2019. The results, principal activities and developments in the year are discussed in the strategic report.

Going concern

The directors believe Asia T.V. Limited is a going concern, which has been discussed in full in note 1 on page 11.

Directors

The directors who have served throughout the year and to the date of this report were as follows:

A Goenka
A Davis
P Goel

Financial risk management objectives and policies

The company's activities expose it to a number of financial risks, including credit risk, foreign exchange and liquidity risk. In the directors' opinion there is very limited exposure to price risk or liquidity risk. The company currently has sufficient cash to fund its activities; however, in the event that additional liquidity is required, funds are provided by its ultimate parent, Zee Entertainment Enterprises Limited as and when required.

Exchange risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The company does not currently use financial derivatives or currency hedging on its financial activities. Foreign currency transactions are, where possible, kept to a minimum and are in stable currencies. The directors keep the situation under review and consult with Zee Entertainment Enterprises Limited with regard to appropriate risk management.

Credit risk

The company's principal financial assets are bank balances and trade and other receivables. The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Asia T.V. Limited's new initiatives and plans for 2019 are discussed in the strategic report.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- 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 the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Kingston Smith LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board.



P Goel
Director
11 April 2019

Asia T.V. Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 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). 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;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate 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.

Independent auditor's report to the members of Asia T.V. Limited

Opinion

We have audited the financial statements of Asia T.V. Limited for the year ended 31 March 2019 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the members of Asla T.V. Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.

Independent auditor's report to the members of Asia T.V. Limited (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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 for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

P. Chadda

Parveen Chadda (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP
Betchworth House
57-65 Station Road
Redhill
RH1 1DL

Date: **11th April 2019**

Asia T.V. Limited

Profit and Loss account For the year ended 31 March 2019

	Notes	2019 £	2018 £
Turnover			
Turnover from operations		15,832,956	21,617,348
Other income		5,437	42,734
		<u>15,838,393</u>	<u>21,660,082</u>
 Operational costs	 7	 10,414,881	 7,550,849
Transmission expenses		537,318	582,121
Employee benefits expense	5	1,817,417	2,442,982
Finance costs		6,785	20,209
Depreciation and amortisation expense		104,517	52,873
Marketing expenses	8	1,327,146	5,673,232
Administration expenses	9	607,318	4,107,274
		<u>14,815,382</u>	<u>20,429,540</u>
Total			
		<u>1,023,011</u>	<u>1,230,542</u>
Profit before tax			
		<u>1,023,011</u>	<u>1,230,542</u>
Income tax expense	6	(285,627)	(290,751)
		<u>737,384</u>	<u>939,792</u>
Profit for the year			
		<u>737,384</u>	<u>939,792</u>

All activities are derived from continuing operations. There has been no other income or expense and therefore no statement of other comprehensive income has been presented.

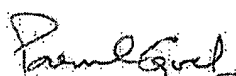
Asia T.V. Limited

Balance sheet As at 31 March 2019

	Notes	2019 £	2018 £
Assets			
Fixed Assets			
Property, plant and equipment	11	87,944	180,220
Investment in subsidiaries	10	13,118	13,118
Total Fixed Assets		<u>101,062</u>	<u>193,338</u>
Current Assets			
Trade Debtors	12	5,943,546	2,818,206
Deferred Tax Asset	15	141,968	385,963
Amount owed by group undertakings		25,989,259	20,028,956
Cash and Cash equivalents		1,729,567	1,804,225
Other Financial Assets	13	207,448	351,385
Other Current Assets	14	87,875	157,109
Total Current Assets		<u>34,099,663</u>	<u>25,545,844</u>
Total Assets		<u>34,200,725</u>	<u>25,739,182</u>
Equity and Creditors			
Equity			
Called up Share Capital	19	16,438,900	16,438,900
Profit and Loss account		(4,127,396)	(4,864,780)
Total Equity		<u>12,311,504</u>	<u>11,574,120</u>
Creditors falling due in more than one year			
Provisions		134,000	134,000
Total creditors falling due in more than one year		<u>134,000</u>	<u>134,000</u>
Creditors falling due in within one year			
Trade Creditors		73,025	279,080
Amounts owed to group undertakings		21,146,509	12,895,051
Other Financial Liabilities	16	386,559	556,362
Other Current Liabilities	17	149,128	243,307
Corporation Tax and Social Security			57,262
Total creditors falling due within one year		<u>21,755,221</u>	<u>14,031,062</u>
Total Creditors		<u>21,889,221</u>	<u>14,165,062</u>
Total Equity and Creditors		<u>34,200,725</u>	<u>25,739,182</u>

These financial statements of Asia T.V. Limited (Company Number 2716006) were approved and authorised for issue by the Board of Directors on 11 April 2019.

Signed on behalf of the Board of Directors



P Goel
Director

Asia T.V. Limited

Statement of changes in equity Year ended 31 March 2019

	Called up share capital £	Profit & loss account £	Total £
At 31 March 2017	16,438,900	(5,804,572)	10,634,328
Profit for the year	-	939,792	939,792
At 31 March 2018	16,438,900	(4,864,780)	11,574,120
Profit for the year	-	737,384	737,384
At 31 March 2019	16,438,900	(4,127,396)	12,311,504

Asia T.V. Limited

Notes to the financial statements Year ended 31 March 2019

1. Significant accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

General information and basis of accounting

Asia T.V. Limited is a company incorporated in the United Kingdom under the Companies Act and registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on page 2.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Asia T.V. Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which Asia T.V. Limited operates.

Consolidated accounts have not been prepared because the company's results are consolidated in the publicly available accounts of Zee Entertainment Enterprises Limited, a company incorporated in India. Accordingly, these financial statements represent information about the company as an individual undertaking and not about the group.

Going concern

The company has considerable financial resources together with long-term contracts with a number of customers and suppliers across different geographic areas and industries. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. The company is currently profitable and is expected to continue to be profitable for the foreseeable future.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Exemptions

Asia T.V. Limited meets the definition of a qualifying entity under FRS 102. Exemptions have been taken in relation to remuneration of key management personnel intra-group related party transactions and the presentation of a cash flow statement.

Property, Plant and Equipment

Tangible fixed assets are stated at original historical cost less accumulated depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost, net of depreciation and any provision for impairment, less estimated residual value of each asset over the expected useful life as follows:

Improvement to short leasehold properties	Shorter of useful life or lease term
Furniture, fixtures and fittings	20% on straight-line basis
Computer – User Equipment, laptops, printer	33% on straight-line basis
Computer – Servers & Networks	17% on straight-line basis
Office Equipment	20% on straight-line basis
Studios and equipment	10% on straight-line basis

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Revenue recognition

Turnover represents subscriptions earned for services rendered during the period stated net of value added tax and net of discounts. Subscriptions paid in advance are recognised as deferred income in the balance sheet. Advertising revenues are recognised upon the telecast of advertisements and subscription revenue on a time basis on the provision of television broadcasting to subscribers. Syndication income is recognised upon the delivery of the content with consideration to whether Asia T.V. Limited is acting as an agent or principle in a transaction and therefore recognises income net or gross respectively.

Asia T.V. Limited

Notes to the financial statements Year ended 31 March 2019

1 Significant accounting policies (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as 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 tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

The tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rates ruling at the date of the transactions. All exchange differences are taken to the profit and loss account.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis.

Provisions

The company recognises provisions for obligations which exist at the balance sheet date. These provisions are estimates and the actual cost and timing of future cash flows are dependent on future events. The amounts of these provisions are re-assessed at each balance sheet date in order to ensure that they are measured at the current best estimate of the expenditure required to settle the obligation. Any difference between the amounts previously recognised and the current estimates are charged to the profit and loss account.

Financial assets and liabilities

General

Financial instruments are recognised on the company's statement of financial position when they become a part to the contractual provisions of the instrument. Financial instruments are initially measured at transaction price unless the arrangement constitutes a financing transaction which includes transaction costs for financial instruments not subsequently measured at fair value. Subsequent to initial recognition, they are measured as set out below. A financing transaction is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Asia T.V. Limited

Notes to the financial statements Year ended 31 March 2019

1. Significant accounting policies (continued)

Classification

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS 102.

Subsequent measurement

At the end of each reporting period, debt instruments classified as basic are measured at amortised cost using the effective interest rate method.

Investments in preference and ordinary shares classified as basic financial instruments, and all financial instruments not classified as basic are measured at fair value at the end of the reporting period, with the resulting changes recognised in profit or loss. Where their fair value cannot be reliably measured, they are recognised at cost less impairment.

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the company has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has been extinguished through discharge, cancellation or expiry.

Asia T.V. Limited

Notes to the financial statements Year ended 31 March 2019

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting judgements

The critical judgements that the directors' have made in the process of applying the company's accounting policies and that have the most significant effects on the amounts recognised in the financial statements are in respect of:

- the judgement made by the directors concerning the extent of recoverability of the deferred tax asset of £141,968. This is based on budgeted future taxable profits covering a period for which the directors consider there to be sufficient certainty in order to recognise the asset (see note 15); and
- the judgement surrounding whether Asia T.V. Limited acts as the principal or agent in the trading relationship and is therefore able to recognise gross or net receipts for syndication income received from third parties and subsidiaries.
- The judgement regarding the collectability and need for a provision in respect of certain trade receivables

Key sources of estimation uncertainty

There are no key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. Turnover

The turnover derives from the principal activity of the company which is that of distributing Asian language television channels of Asia Today Limited Mauritius, which are under the brand Zee in UK and Europe, namely Zee TV, Zee Cinema, Living Foodz, &tv and Zing in the UK and Europe catering mainly for the Asian community.

The Royalty income derives from license fees from USA and Canada subsidiaries.

The exemption to show the turnover by destination has been taken as in the opinion of the directors, disclosure of the information would be seriously prejudicial to the interests of the company.

The revenue from UK and Royalty from subsidiaries are as below:

	2019 £	2018 £
Operating income	11,155,791	8,450,473
Royalty income	4,677,164	13,166,875

Asia T.V. Limited

Notes to the financial statements Year ended 31 March 2019

4. Profit before Taxation

Operating profit is stated after charging/(crediting):

	2019 £	2018 £
Auditor's remuneration in respect of fees payable for the audit of the Company's annual accounts	28,500	40,500
Auditor's remuneration in respect of non-audit services-tax compliance services	6,500	8,500
Auditor's remuneration in respect of quarter review	4,500	15,000
Foreign exchange (gain)/loss	(1,070,802)	2,519,879
Provision for doubtful debts	20,798	163,721
Operating lease rentals: Land and buildings	<u>157,681</u>	<u>182,283</u>

5. Staff numbers and costs

	2019 £	2018 £
Staff costs (including Directors) during the year amounted to:		
Wages and salaries	1,722,055	2,298,366
Social security costs	82,521	122,912
Pension (Note 21)	12,841	21,704
	<u>1,817,417</u>	<u>2,442,982</u>

The average monthly number of employees during the year was:

	2019 No.	2018 No.
Production	2	2
Sales	7	10
Administration	7	9
	<u>16</u>	<u>21</u>

Aggregate directors' emoluments are analysed below:

	2019 £	2018 £
Directors' emoluments	<u>110,122</u>	<u>113,637</u>

None of the directors hold any share options. The company operates a defined contribution pension scheme. The aggregate pension for the directors of the company was £2,484 (2018: £2,366). During the period, one Director (2018: 1) was remunerated by the Company and is included in the above table. The remaining Directors were remunerated by other group companies for their services to the Group as a whole and it is not practicable to apportion their remuneration between the companies of which they are a Director.

Asia T.V. Limited

Notes to the financial statements Year ended 31 March 2019

6. Taxation on profit

The tax charge comprises:

	2019 £	2018 £
Current tax on profit		
UK current tax expense		8,119
Foreign tax	41,633	34,702
Adjustments in respect of prior years		
UK corporation tax		(20,627)
Total current tax	41,633	22,194
Deferred tax:		
Origination and reversal of timing differences	243,994	223,149
Effect of decrease in tax rate on opening asset		45,408
Total deferred tax (Note 15)	243,994	268,557
Total tax charge on profit	285,627	290,751

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2019 £	2018 £
Profit on ordinary activities before tax	1,023,011	1,230,542
Tax on profit at UK corporation tax rate 19% (2018: 19%)	194,372	233,803
Effects of:		
Expenses not deductible for tax purposes	73,917	4,058
Higher tax rates on overseas earnings	33,723	28,109
Adjustment to tax charge in respect of previous periods		(20,627)
Impact of changes in tax rates		45,508
Movement in accelerated capital allowances	8,863	
Movement in deferred tax on short term trading differences	3,094	
Effect of difference in tax rate at which losses were relieved & previously recognised	(28,342)	
Total tax charge for the period	285,627	290,751

In the Finance (No. 2) Act 2015, it was substantively enacted that the UK corporation tax rate would be effective from 1 April 2017. Finance act 2016 introduced further legislation to reduce the main rate of 17% from 1 April 2020 and these rates have therefore been used to measure deferred tax assets and liabilities where applicable.

There is no expiry date on timing differences, unused tax losses or tax credits.

7. Operational Cost

Operational costs represent amounts paid as an intercompany royalty to Asia Today Ltd the company's parent company.

Asia T.V. Limited

Notes to the financial statements Year ended 31 March 2019

8. Marketing Expenses

	2019 £	2018 £
Promotional Events and Campaigns	281,045	676,530
Advertising and Agency fees	1,046,101	4,996,702
	<u>1,327,146</u>	<u>5,673,232</u>

9. Administration Expenses

	2019 £	2018 £
(Gain)/Loss on Foreign expense	(1,070,802)	2,519,879
Rent	157,861	182,283
Travelling and Conveyance	308,115	322,548
Legal & Professional fees	746,477	393,941
Repairs & Maintenance	222,195	218,453
Provision for Bad Debts	20,798	163,721
Other Admin Expenses	222,674	306,449
	<u>607,318</u>	<u>4,107,274</u>

10. Investments

	2019 £	2018 £
Investments in subsidiary entities	<u>13,118</u>	<u>13,118</u>

Asia T.V. Limited has six subsidiaries:

Company	Country of incorporation	No. of shares	% shareholding
Zee CIS Holdings	Russia	-	100
Zee CIS LLC	Russia	-	49
Asia Multimedia Distribution Inc.	Canada	100	100
Zee TV South Africa Proprietary Ltd	South Africa	1	100
Asia TV USA Ltd	USA	5,000	100
Asia TV GmbH	Germany	1	100

Other than Zee CIS Holdings, the subsidiary companies have the same principal activities being a distributor of TV and digital products, earning revenues, holding various ground events, production of local content, sale of programmes and other marketing and promotional activities. The principal activity of ZEE CIS Holdings is a holding company. Investments in subsidiaries are accounted at cost. The company is exempt from the obligation to prepare group accounts as the accounts get consolidated with the parent company.

Zee CIS Holdings & Zee CIS LLC – building 40/12, Korpus 2, Nizhnaya Krasnoselskaya St., 105066, Moscow, Russia office 330

Asia Multimedia Distribution Inc. - 3660 Hurontario Street, Suite 303, Mississauga, Ontario, L5B 3C4

Zee TV South Africa Proprietary Ltd – Two Eglin Road, Sunninghill, 2157

Asia TV USA Ltd – 200 Middlesex-Essex Turnpike, Suite 202, Iselin, NJ 08830

Asia TV GmbH – Nymphenburger Str.86 Munich 80636

Asia T.V. Limited

Notes to the financial statements Year ended 31 March 2019

11. Property, Plant and Equipment

	Improvements to short leasehold properties £	Computer equipment £	Office equipment £	Furniture, fittings and fixtures £	Studios and equipment £	Total £
Cost						
At 1 April 2018	327,241	309,928	224,618	209,047	393,749	1,464,583
Additions				1,841	10,400	12,241
At 31 March 2019	327,241	309,928	224,618	210,888	404,149	1,476,824
Accumulated depreciation						
At 1 April 2018	250,131	300,271	210,507	198,023	325,431	1,284,363
Charge for the year	21,515	5,592	4,871	5,539	11,405	48,922
Impairment	55,595					55,595
At 31 March 2019	327,241	305,863	215,378	203,562	336,836	1,388,880
Net book value						
At 31 March 2018	77,110	9,657	14,111	11,024	68,318	180,220
At 31 March 2019		4,065	9,240	7,326	67,313	87,944

12. Trade Debtors

Included within trade debtors is an amount due in greater than one year of £3,317,429 (2018: £nil).

13. Other Financial Assets

	2019 £	2018 £
Rent Deposit	56,068	56,068
Refunds due from vendors		131,068
Accrued revenue	151,380	164,249
	<u>207,448</u>	<u>351,385</u>

14. Other Current Assets

	2019 £	2018 £
Prepayments	87,875	157,109
	<u>87,875</u>	<u>157,109</u>

Asia T.V. Limited

Notes to the financial statements Year ended 31 March 2019

15. Deferred tax asset

Deferred tax asset recognised:

	2019 £	2018 £
Other timing differences including losses brought forward	141,968	385,963
Provision at start of the year	385,963	654,519
Charge to profit and loss account	(243,995)	(268,557)
Deferred tax asset	141,968	385,963

The deferred tax asset greater than one year is £nil (2018: £236,243).

All of the previous unrecognised deferred tax asset in respect of timing differences relating to certain trade losses carried forward, accelerated capital allowances and other short-term timing differences has now been recognised in full as the directors of the company believe there is sufficient evidence that the asset will be recovered.

16. Other Financial Liabilities

	2019 £	2018 £
Accruals	284,550	445,348
Commission payable	102,009	107,382
Employer pension contribution payable	-	3,631
	386,559	556,361

17. Other Current Liabilities

	2019 £	2018 £
Other Taxes	138,628	157,136
Deferred Income	-	74,671
Deposit	10,500	10,500
	149,128	243,307

18. Provisions

	£
At 1 April 2018	134,000
Charged to Profit and loss account	-
At 31 March 2019	134,000

The above relates to a dilapidations provision, which represents management's best estimate of the company's liability. Under the terms of the property lease, the company is required to return the property to its original condition at the lease expiry date. The amount is expected to be utilised on expiry of the lease.

Asia T.V. Limited

Notes to the financial statements Year ended 31 March 2019

19. Called up Share Capital

	2019 £	2018 £
Authorised:		
25,000,000 ordinary shares of £1 each	25,000,000	25,000,000
Allotted, called up and fully paid:		
16,438,900 ordinary shares of £1 each	16,438,900	16,438,900

The company has one class of ordinary shares which carry no right to fixed income.

20. Leasing commitments

At 31 March 2019, the company had total future minimum lease payments under non-cancellable operating leases as follows:

	Land and buildings	
	2019 £	2018 £
Expiry date:		
Within one year	23,871	120,419
Between one and two years	-	240,838
Between two and five years	-	25,087
	23,871	386,344

There are no capital commitments contracted for but not provided (2018: nil).

21. Employee benefits

The company operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to profit & loss for the period ended 31 March 2019 is £12,841 (2018: £21,704).

22. Other long term benefits:

The company operates other long-term employee benefit schemes namely a life insurance scheme for all qualifying employees. The liability rests with the insurance provider, where Asia T.V. Limited makes monthly payments. The total expense charged to profit & loss for the period ended 31 March 2019 is £1,342 (2018: £2,626).

23. Ultimate parent company

The parent undertaking of the largest group which includes the company and for which group financial statements are prepared is Zee Entertainment Enterprises Ltd, a company incorporated in India. The parent undertaking of the smallest group is Asia Today Limited, a company incorporated in Mauritius.

Copies of the group financial statements for both companies are available from Zee Entertainment Enterprises Ltd, 18th Floor, A Wing, Marathon Futurex, N.M.Joshi Marg, Lower Parel, Mumbai, 400 013, India.

The directors regard Zee Entertainment Enterprises Ltd as the ultimate controlling party which is also the ultimate parent undertaking. Asia Today Limited is the immediate parent company.