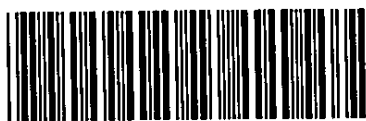


# INGENIOUS MEDIA LIMITED

## ANNUAL REPORT AND FINANCIAL STATEMENTS

5 April 2010

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Company Registration Number  
03573626 (England and Wales)

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**INGENIOUS MEDIA LIMITED**

Directors	J L Boyton N A Forster P A McKenna D M Reid
Company Secretary	S J Cruickshank
Registered Office	15 Golden Square London W1F 9JG
Registered Number	03573626 (England and Wales)
Auditors	Deloitte LLP Chartered Accountants London
Business Address	15 Golden Square London W1F 9JG
Bankers	HSBC Private Bank (UK) Limited 78 St James's Street London SW1A 1JB

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**DIRECTORS' REPORT**  
**5 APRIL 2010**

The directors present the Annual Report and Financial Statements of Ingenious Media Limited ("the Company") for the year ended 5 April 2010

**Principal activity and review of the business**

During the year, the Company continued to provide services and support to Ingenious Media Holdings plc and its subsidiaries ("the Group")

As consolidated Group financial statements are prepared by Ingenious Media Holdings plc, the financial statements of Ingenious Media Limited represent the activities of the stand-alone company and not of the Group it heads

Ingenious Media Holdings plc manages its operations on a divisional basis. For this reason, the Company's directors believe that key performance indicators for the Company are not necessary or appropriate for an understanding of the Company's development, performance or position

The directors consider the results for the year and the financial position at the end of it to be satisfactory and believe the Company is well positioned for the future. There have been no significant events since the Balance Sheet date

**Going concern**

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future

**Principal risks and uncertainties**

A prolonged economic downturn is a continuing risk for the Company. The risks of the Group are discussed in the Ingenious Media Holdings plc Annual Report and Financial Statements

The Company operates a treasury policy to manage liquidity and credit risks as follows

**(a) Liquidity risk**

The Company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the Company has sufficient liquidity to meet the operating needs of the business

**(b) Credit risk**

Investments of cash surpluses and borrowings are made through banks and companies with high credit-ratings assigned by international credit-rating agencies

**Dividends**

During the year an interim dividend of £35m was paid (year ended 5 April 2009 - £nil). The directors do not propose to pay a final dividend (year ended 5 April 2009 - £nil)

**DIRECTORS' REPORT (continued)**  
**5 APRIL 2010**

**Directors**

The directors holding office during the year and subsequently were as follows

---

J L Boyton  
 N A Forster  
 P A McKenna  
 D M Reid

---

**Charitable contributions**

During the year the Company made charitable donations of £71,912 (year ended 5 April 2009 - £172,035)

**Creditors payment policy**

The Company agrees the payment terms as part of the commercial arrangement negotiated with suppliers  
 Payments are made on these terms provided the supplier meets its obligations

**Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulation

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 United Kingdom Accounting Standards have been followed, and
- 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 to 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.

**DIRECTORS' REPORT (continued)**  
**5 APRIL 2010**

**Auditors**

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 auditors are unaware and the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

In the absence of a notice proposing that the appointment be terminated, the auditors, Deloitte LLP, will be deemed to be re-appointed in accordance with s487 of the Companies Act 2006

Approved by the board and signed on its behalf by



**S J Cruickshank**  
Company Secretary  
2.12.2010  
Registered office  
15 Golden Square  
London  
W1F 9JG

Company Registration Number 03573626 (England and Wales)

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INGENIOUS MEDIA LIMITED**

We have audited the financial statements of Ingenious Media Limited for the year from 6 April 2009 to 5 April 2010 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Accounting Policies and the related notes 1 to 22. 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 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 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 directors and auditors**

As explained more fully in the statement of directors' responsibilities, 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 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 Audit.

### **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 5 April 2010 and of its profit 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 matters 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.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INGENIOUS MEDIA LIMITED (continued)

### 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



**Calum Thomson (Senior Statutory Auditor)**

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditors

London, United Kingdom

2.12. 2010



**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 5 APRIL 2010**

	Notes	Year ended 5 April 2010 £ '000s	Year ended 5 April 2009 £ '000s
Turnover	1	17,958	24,176
Cost of sales		<u>(17,971)</u>	<u>(25,258)</u>
<b>Gross loss</b>		<b>(13)</b>	<b>(1,082)</b>
Other operating income/(expenses) (net)		<u>5,082</u>	<u>(689)</u>
<b>Operating profit/(loss)</b>	2	<b>5,069</b>	<b>(1,771)</b>
Share of profit of associated undertakings		2	2
Income from shares in group undertakings		66,500	184
Profit from other interests		1	8
Interest receivable and similar income	5	205	693
Interest payable and similar charges	6	<u>(2)</u>	<u>(9)</u>
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>71,775</b>	<b>(893)</b>
Taxation	7	<u>1</u>	<u>(1)</u>
<b>Profit/(loss) for the financial year</b>	15	<b>71,776</b>	<b>(894)</b>

All of the Company's profit/(loss) after tax is derived from continuing operations during the current and prior year

The Company has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented

The accounting policies and notes on pages 8 to 21 form an integral part of these financial statements

**BALANCE SHEET**  
**AS AT 5 APRIL 2010**

	Notes	5 April 2010 £ '000s	5 April 2009 £ '000s
<b>Fixed assets</b>			
Tangible assets	8	2,495	3,007
Investments	9	29,015	15,282
		<u>31,510</u>	<u>18,289</u>
<b>Current assets</b>			
Debtors			
Due within one year	10	161,097	145,590
Cash at bank and in hand		435	1,445
		<u>161,532</u>	<u>147,035</u>
<b>Creditors: Amounts falling due within one year</b>	11	<u>(51,774)</u>	<u>(60,530)</u>
<b>Net current assets</b>		<u>109,758</u>	<u>86,505</u>
<b>Total assets less current liabilities</b>		<b>141,268</b>	<b>104,794</b>
<b>Creditors: Amounts falling due after more than one year</b>	12	(52)	(57)
<b>Provision for liabilities and charges</b>	13	<u>(2,192)</u>	<u>(2,489)</u>
<b>Net assets</b>		<u>139,024</u>	<u>102,248</u>
<b>Capital and reserves</b>			
Called up share capital	14	55	55
Profit and Loss Account	15	138,969	102,193
<b>Shareholders' funds</b>	18	<u>139,024</u>	<u>102,248</u>

The accounting policies and notes on pages 8 to 21 form an integral part of these financial statements

The financial statements were approved by the board of directors and authorised for issue on **2.12.2010**

They were signed on behalf of the board of directors by



**N A Forster**  
Director

**2.12.2010**

Company Registration Number 03573626 (England and Wales)

## STATEMENT OF ACCOUNTING POLICIES

### 5 APRIL 2010

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

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

As per section 400 of the Companies Act 2006, consolidated financial statements have not been prepared as the Company is itself a wholly-owned subsidiary and is included in the consolidated financial statements of Ingenious Media Holdings plc, its parent undertaking.

#### **Going concern**

The Company's business activities, together with the factors likely to affect its future development, performance and position have been reviewed by the directors. Having assessed the risks facing the business as set out in the Directors' Report, its financial position and profit and cashflow forecasts, the directors believe that the Company is well placed to manage its business successfully despite the current uncertain economic outlook. Therefore, 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 Financial Statements.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Land and buildings leasehold	In equal instalments over the remaining period of the lease
Fixtures, fittings and equipment	10% - 33% on cost

#### **Leased assets**

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

#### **Investments**

##### *Investments in subsidiary undertakings*

Investments in subsidiary undertakings are held at cost less impairment for diminution in value.

##### *Interests in partnerships*

Investments in partnerships are held at cost adjusted for allocated profit and drawings as at year end. The share of the partnerships' operating profit and loss is included in the Profit and Loss Account.

##### *Other investments and loans*

Other investments are stated at cost less any provision for permanent diminution in value.

#### **Other operating expenses**

Other operating expenses include charges for investments impaired during the year.

#### **Income from shares in group undertakings**

Income from shares in group undertakings includes dividends received and receivable from subsidiaries.

**STATEMENT OF ACCOUNTING POLICIES (continued)**  
**5 APRIL 2010**

**Profit from other interests**

Profit from other interests represents a return of capital received from Ingenious Media Active Capital Limited and profits received from Ingenious Ventures L P

**Interest income**

Interest income represents bank interest earned on cash deposits and interest receivable on Sale and Leaseback loans

**Taxation**

Current tax, including United Kingdom corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date

Deferred tax is provided in full on timing differences which result in an obligation at the Balance Sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted

**Pension**

The pension costs charged in the financial statements represent the defined contributions payable by the Company during the year

**Foreign currencies**

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the Balance Sheet date. Exchange differences are taken to the Profit and Loss Account

**Cash flow**

The financial statements do not include a cash flow statement because the Company, as a wholly-owned subsidiary is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 5 APRIL 2010**

**1. Turnover**

The total turnover of the Company for the current and prior year has been derived from its principal activity wholly undertaken in the United Kingdom

The Company incurs expenses on behalf of the Group and recharges these to fellow subsidiaries and recognises this as Turnover. The prior year amounts have been corrected to reflect this. The impact on the prior year profit and loss account is to increase Turnover and Cost of Sales by £25,258k with no net impact on profit before tax. If the prior year approach of accounting on a net basis had been followed this would reduce turnover and cost of sales by £17,958k.

**2 Operating profit/(loss)**

	Year ended 5 April 2010 £ '000s	Year ended 5 April 2009 £ '000s
This is stated after charging/(crediting)		
Depreciation of tangible fixed assets	709	869
Write back of depreciation on cost adjustment	-	(169)
Operating lease rentals - land and buildings	1,242	1,242
Provision for impairment of fixed asset investments - written (back)/off	(3,794)	735
Foreign exchange loss/(gain)	1	(8)
Auditors' remuneration		
Fees payable to Company's auditors for the audit of the Company's financial statements	60	27
<b>Total audit fees</b>	<b>60</b>	<b>27</b>
Other services pursuant to legislation		
Tax services - current auditors	53	41
Other services - current auditors	1	5
<b>Total non-audit fees</b>	<b>54</b>	<b>46</b>

**3. Staff costs**

Staff costs, including directors' remuneration (see note 4), were as follows

	Year ended 5 April 2010 £ '000s	Year ended 5 April 2009 £ '000s
Wages and salaries	13,995	14,575
Social security costs	1,791	1,858
Other pension costs	4	4
Staff costs reallocated to operating subsidiaries	(15,790)	(16,221)
	-	216

NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 5 APRIL 2010

3. Staff costs (continued)

The average monthly number of employees (including directors) during the year was as follows

	Year ended 5 April 2010	Year ended 5 April 2009
Office and administration	138	144

4. Directors' remuneration

	Year ended 5 April 2010 £ '000s	Year ended 5 April 2009 £ '000s
Emoluments for qualifying services	1,998	2,621
Compensation for loss of office	-	160
Company pension contributions to money purchase scheme	4	4
	2,002	2,785

The above pension contributions were paid into a personal pension scheme on behalf of one of the directors

The emoluments of the highest paid director of the Company were as follows

	Year ended 5 April 2010 £ '000s	Year ended 5 April 2009 £ '000s
Emoluments for qualifying services	586	950

5. Interest receivable and similar income

	Year ended 5 April 2010 £ '000s	Year ended 5 April 2009 £ '000s
Bank interest	3	95
Interest receivable from group undertakings	202	565
Loan interest	-	33
	205	693

NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 5 APRIL 2010

6. Interest payable and similar charges

	Year ended 5 April 2010 £ '000s	Year ended 5 April 2009 £ '000s
Interest payable on bank overdrafts and bank loans	2	9

7. Taxation

The tax charge on the profit on ordinary activities for the year was as follows

	Year ended 5 April 2010 £ '000s	Year ended 5 April 2009 £ '000s
UK Corporation tax at 28% (year ended 5 April 2009 - 28%)	-	-
Deferred tax (credit)/charge for the year (note 13)	(1)	1
	(1)	1

Factors affecting the tax charge for the year

	Year ended 5 April 2010 £ '000s	Year ended 5 April 2009 £ '000s
<b>Profit/(loss) on ordinary activities before taxation</b>	<b>71,775</b>	<b>(893)</b>
Profit/(loss) on ordinary activities for the year multiplied by standard rate of corporation tax in the UK of 28% (year ended 5 April 2009 - 28%)	20,097	(250)
Effects of		
Adjustments resulting from investment in film partnerships	1	1
UK dividend income not taxable	(18,620)	(51)
Utilisation of tax losses brought forward	(296)	(2)
Expenses not deductible for tax purposes	55	273
Adjustment in respect of reversal of impairment	(1,062)	-
Timing differences in relation to capital allowances	56	35
Group relief claimed	(231)	(6)
<b>Current tax charge</b>	<b>-</b>	<b>-</b>

A potential deferred tax asset of £213,245 in respect of tax decelerated capital allowances has not been recognised due to uncertainty over the availability of taxable profits in future chargeable accounting periods

NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 5 APRIL 2010

8. Tangible fixed assets

	Short leasehold land and buildings £ '000s	Fixtures, fittings and equipment £ '000s	Total £ '000s
<b>Cost</b>			
At 6 April 2009	3,129	1,885	5,014
Additions	10	187	197
At 5 April 2010	3,139	2,072	5,211
<b>Depreciation</b>			
At 6 April 2009	799	1,208	2,007
Charge for the year	338	371	709
At 5 April 2010	1,137	1,579	2,716
<b>Net book values</b>			
At 5 April 2010	2,002	493	2,495
At 6 April 2009	2,330	677	3,007

9. Fixed asset investments

	Investment in subsidiary undertakings £ '000s	Investment in partnerships £ '000s	Other investments and loans £ '000s	Total £ '000s
<b>Cost</b>				
At 6 April 2009	4,857	122	10,303	15,282
Additions				
Capital	-	-	10,460	10,460
Drawings	-	(7)	-	(7)
Profits	-	2	-	2
Provision for impairment - written back	-	-	3,794	3,794
Disposals/repayment	(516)	-	-	(516)
At 5 April 2010	4,341	117	24,557	29,015



**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 5 APRIL 2010**

**9. Fixed asset investments (continued)**

Additional information on subsidiaries is detailed in note 22

**Ingenious Ventures L.P.**

The Company is a partner in Ingenious Ventures L.P. in which it owns 7.5% (year ended 5 April 2009 - 7.5%) of the partnership capital. At the year end the Company had advanced £735,000 (year ended 5 April 2009 - £735,000) of loans to the partnership. Ingenious Ventures L.P. was formed under the Limited Partnerships Act 1907 to acquire and hold a portfolio of investments in media and entertainment companies. Its place of business and head office address is 15 Golden Square, London W1F 9JG, United Kingdom.

Ingenious Ventures L.P. made a net profit of £795k (year ended 31 March 2009 - net loss of £4k) during the year ended 31 March 2010.

**Pall Mall Film Partners**

The Company is a partner in Pall Mall Film Partners in which it owns 0.62% (year ended 5 April 2009 - 0.62%) of the partnership capital. The partnership was formed to invest in a portfolio of films. Its place of business and head office is 15 Golden Square, London W1F 9JG, United Kingdom. Pall Mall Film Partners made a net profit of £307,000 (year ended 5 April 2009 - £328,000) during the year ended 5 April 2010. This interest represents an investment in a qualifying film partnership.

**10. Debtors**

	5 April 2010 £ '000s	5 April 2009 £ '000s
Falling due within one year		
Trade debtors	21	10
Amounts owed by group undertakings	158,851	143,132
Amounts due from undertakings in which the Company has a participating interest	1	1
Trade loans	1,472	1,472
Other debtors	49	35
Prepayments and accrued income	703	940
	<b>161,097</b>	<b>145,590</b>

Trade loans represent amounts loaned to film partnerships

NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 5 APRIL 2010

11. Creditors: Amounts falling due within one year

	5 April 2010 £ '000s	5 April 2009 £ '000s
Bank loans and overdrafts	5	5
Trade creditors	499	561
Amounts owed to group undertakings	45,416	54,186
Amounts due to undertakings in which the Company has a participating interest	37	23
Social security and other taxes	1,834	705
Accruals and deferred income	3,983	5,050
	<b>51,774</b>	<b>60,530</b>

Amounts owed to group undertakings represents balances due in respect of intra-group loans with the various other subsidiary companies within the Group. No interest is payable and there are no fixed terms of repayment.

12. Creditors: Amounts falling due after more than one year

	5 April 2010 £ '000s	5 April 2009 £ '000s
Bank loans	52	57
	<b>52</b>	<b>57</b>

Bank loans fall due for repayment as follows

	5 April 2010 £ '000s	5 April 2009 £ '000s
Due within one to two years	5	5
Due within two to five years	28	19
Due thereafter	19	33
	<b>52</b>	<b>57</b>

The bank loans for the Company are secured by the Company's share of lease rental income receivable by partnerships in which the Company has made investments (note 9), and are repayable within eight years. An average interest rate of 4.10% per annum (year ended 5 April 2009 - 4.10% per annum) is payable on these loans.

NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 5 APRIL 2010

13. Provisions for liabilities and charges

	Sub-note	5 April 2010 £ '000s	5 April 2009 £ '000s
Deferred taxation	a	20	21
Other provisions	b	<u>2,172</u>	<u>2,468</u>
		<b>2,192</b>	<b>2,489</b>

a. <i>Deferred taxation</i>		5 April 2010 £ '000s	5 April 2009 £ '000s
Balance brought forward		21	20
Deferred tax (credit)/charge in Profit and Loss Account		<u>(1)</u>	<u>1</u>
<b>Balance carried forward</b>		<b>20</b>	<b>21</b>

b. *Other provisions*

	5 April 2010 £ '000s	5 April 2009 £ '000s
Balance brought forward	2,468	6,745
Fulfilment of obligation	(296)	(193)
Release of provision no longer required	<u>-</u>	<u>(4,084)</u>
<b>Balance carried forward</b>	<b>2,172</b>	<b>2,468</b>

The provision primarily relates to (1) capital commitments entered into £0.3m (year ended 5 April 2009 - £0.5m), (2) loans made in the course of the Group's trade £1.5m (year ended 5 April 2009 - £1.5m)

NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 5 APRIL 2010

14. Called up share capital

The Company's share capital is divided into 28 (year ended 5 April 2009 - 28) share classes

	Allotted, called up and fully paid			
	5 April 2010		5 April 2009	
	£	No	£	No
Class 'A1' shares of 90p each	45,000	50,000	45,000	50,000
Class 'A2' shares of 5p each	2,500	50,000	2,500	50,000
Class 'A3' shares of 5p each	2,500	50,000	2,500	50,000
Class 'B' shares of 5p each	450	9,001	450	9,001
Class 'C' shares of 5p each	452	9,035	452	9,035
Class 'D' shares of 5p each	452	9,041	452	9,041
Class 'E' shares of 5p each	459	9,189	459	9,189
Class 'F' shares of 5p each	452	9,044	452	9,044
Class 'G' shares of 5p each	496	9,919	496	9,919
Class 'H' shares of 5p each	470	9,406	470	9,406
Class 'I' shares of 5p each	465	9,290	465	9,290
Class 'J' shares of 5p each	460	9,192	460	9,192
Class 'K' shares of 5p each	455	9,100	455	9,100
Class 'L' shares of 0 125p each	23	18,176	23	18,176
Class 'M' shares of 0 125p each	23	18,176	23	18,176
Class 'N' shares of 0 125p each	23	18,176	23	18,176
Class 'O' shares of 0 125p each	23	18,176	23	18,176
Class 'P' shares of 0 125p each	25	19,806	25	19,806
Class 'Q' shares of 0 125p each	25	19,676	25	19,676
Class 'R' shares of 0 125p each	25	19,676	25	19,676
Class 'S' shares of 0 125p each	24	19,184	24	19,184
Class 'T' shares of 0 125p each	24	18,957	24	18,957
Class 'U' shares of 0 125p each	24	18,956	24	18,956
Class 'V' shares of 0 125p each	23	18,689	23	18,689
Class 'W' shares of 0 125p each	23	18,694	23	18,694
Class 'X' shares of 0 125p each	23	18,642	23	18,642
Class 'Y' shares of 0 125p each	23	18,640	23	18,640
Class 'Z' shares of 0 125p each	136	109,056	136	109,056
	<b>55,078</b>	<b>614,897</b>	<b>55,078</b>	<b>614,897</b>

15. Statement of movements on profit and loss account

	Profit and loss account	
	2010	2009
	£ '000s	£ '000s
Balance brought forward	102,193	103,087
Profit/(loss) for the financial year	71,776	(894)
Dividends paid	(35,000)	-
<b>Balance carried forward</b>	<b>138,969</b>	<b>102,193</b>

During the year an interim dividend of £35m was paid (year ended 5 April 2009 - £nil) The directors do not propose to pay a final dividend (year ended 5 April 2009 - £nil)

NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 5 APRIL 2010

16. Financial commitments

Annual commitments under non-cancellable operating leases were as follows

	Land and buildings	
	5 April 2010	5 April 2009
	£ '000s	£ '000s
Operating leases which expire After five years	1,460	1,460
	<b>1,460</b>	<b>1,460</b>

17. Capital commitments

Under the partnership agreement with Ingenious Ventures L P , Ingenious Media Limited has agreed to provide the partnership with loan facilities representing 10% of the total loan facilities provided by all partners up to a maximum of £2.5m. At the year end Ingenious Media Limited had £47k (year ended 5 April 2009 - £58k) of this total commitment outstanding

18. Reconciliation of movements in shareholders' funds

	5 April 2010	5 April 2009
	£ '000s	£ '000s
Profit/(loss) on ordinary activities after taxation	71,776	(894)
Dividends paid	(35,000)	-
Net movement in shareholders' funds	36,776	(894)
Shareholders' funds brought forward	102,248	103,142
<b>Shareholders' funds carried forward</b>	<b>139,024</b>	<b>102,248</b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 5 APRIL 2010**

**19. Related party transactions**

The financial statements do not include disclosure of transactions between the Company and entities that are wholly-owned by the Group. This is because, as a subsidiary whose shares are wholly-owned by the Group, it is exempt from the requirement to disclose such transactions, under FRS8 Related Party Disclosures.

During the year the Company conducted transactions with related parties as follows

	5 April 2010 £'000s	5 April 2009 £'000s
<b>Expense recharged</b>		
Perspective Associates Limited *	675	611
<b>Amounts owed from group undertakings</b>		
Perspective Associates Limited *	953	614

\* Perspective Associates Limited was a Group undertaking that was not wholly-owned by the Group. During the year, certain expenses were borne by Ingenious Media Limited on behalf of Perspective Associates Limited. These expenses have been recharged to Perspective Associates Limited but were outstanding as at year end.

**20. Pension cost**

The Company made £4,480 (year ended 5 April 2009 - £4,480) of pension contributions to a director's personal pension scheme. At the year end there were no accrued or prepaid pension costs (year ended 5 April 2009 - £nil).

**21. Controlling party**

During the year the Company was a wholly-owned subsidiary of Ingenious Media Holdings plc, a company registered in England and Wales. Ingenious Media Holdings plc is the only parent undertaking for which consolidated financial statements are prepared.

The consolidated financial statements of Ingenious Media Holdings plc can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The controlling shareholder of Ingenious Media Holdings plc was P A McKenna.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 5 APRIL 2010**

**22. Additional information on subsidiaries**

During the year the company had the following principal operating subsidiaries which were all registered and incorporated in England and Wales (unless otherwise indicated), and were included within the consolidated accounts of the ultimate parent company, Ingenious Media Holdings plc

Subsidiary undertakings	Activity	Class	%
Ingenious Media Investments Ltd	Services to media, leisure and entertainment sector (FSA registered)	Ordinary	100
Ingenious Corporate Finance Ltd	Corporate finance (FSA registered)	Ordinary	100
Ingenious Resources Ltd	Provision of investment capital	Ordinary	100
Ingenious Films Ltd	Services to film industry	Ordinary	100
Ingenious Treasury Services Ltd	Group treasury function	Ordinary	100
Ingenious Media Services Ltd	Services to film industry	Ordinary	100
Ingenious Distribution Services Ltd	Services to video film & television industries	Ordinary	100
Ingenious Bond Services Ltd	Provide completion bonds for television production	Ordinary	100
Ingenious Games Services Ltd	Services to video games industry	Ordinary	100
Ingenious Film Partners Ltd	Integrated film business	Ordinary	100
Ingenious Film Partners 2 Ltd	Integrated film business	Ordinary	100
Ingenious Film Partners 3 Ltd	Integrated film business	Ordinary	100
Phoenix Film Partners Limited	Integrated film business	Ordinary	100
Big Screen Productions 2 Ltd	Integrated film business	Ordinary	100
Big Screen Productions 3 Ltd	Integrated film business	Ordinary	100
Big Screen Productions 4 Ltd	Integrated film business	Ordinary	100
Big Screen Productions 5 Ltd	Integrated film business	Ordinary	100
Big Screen Productions 7 Ltd	Film production	Ordinary	100
Big Screen Productions 8 Ltd	Film production	Ordinary	100
Big Screen Productions 9 Ltd	Film production	Ordinary	100
Big Screen Productions 10 Ltd	Film production	Ordinary	100
Big Screen Productions 11 Ltd	Film production	Ordinary	100
Big Screen Productions 12 Ltd	Film production	Ordinary	100
Big Screen Productions 13 Ltd	Film production	Ordinary	100
Ingenious Games Ltd	Video games development	Ordinary	100
Mercury Film Productions Ltd	Film production	Ordinary	100
Ingenious Ventures Ltd	Investment management services	Ordinary	100
Ingenious Asset Management Ltd	Discretionary investment management and investment management services (FSA registered)	Ordinary	100
Ingenious Asset Management International Ltd	Discretionary investment management (Guernsey registered)	Ordinary	100
Pall Mall Film Partners	Film partnership (un incorporated)	Members' capital	100
Ingenious Media Consulting Ltd	Management consultancy	Ordinary	100
Ingenious Consulting Associates Ltd	Management consultancy	Ordinary	100
Perspective Associates Ltd	Public policy and regulatory consultancy	Ordinary	80
Human Capital Ltd	Strategic consultancy and consumer research	Ordinary	100
Ingenious Consulting Network Ltd	Management consultancy	Ordinary	100
Little Blair Productions IM Ltd	Film production	Ordinary	100
Ingenious Fuller Partnership IM	Film production	Ordinary	100
Solar Film Partners IM Ltd	Film production	Ordinary	100
Starlight Film Partners Ltd	Film production	Ordinary	100

NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 5 APRIL 2010

22. Additional information on subsidiaries (continued)

Subsidiary undertakings	Activity	Class	%
Capitan Films Ltd	Film production	Ordinary	100
Delphi Film Partner 1 Ltd	Film production	Ordinary	100
Jade Film Partner 1 Ltd	Film production	Ordinary	100
Jewel Film Partner 1 Ltd	Film production	Ordinary	100
Sapphire Film Partner 1 Ltd	Film production	Ordinary	100
Saturn Film Partner 1 Ltd	Film production	Ordinary	100
Trieste Film Partner 1 Ltd	Film production	Ordinary	100
Topaz Film Partner 1 Ltd	Film production	Ordinary	100
Zinc Film Partner 1 Ltd	Film production	Ordinary	100
Mars Film Partner 1 Ltd	Film production	Ordinary	100
Rome Film Partner 1 Ltd	Film production	Ordinary	100
Lodestone Film Partner 1 Ltd	Film production	Ordinary	100
Electra Film Partner 1 Ltd	Film production	Ordinary	100
Taurus Film Partner 1 Ltd	Film production	Ordinary	100
Gemini Film Partner 1 Ltd	Film production	Ordinary	100
Corinth Film Partner 1 Ltd	Film production	Ordinary	100
Vienna Film Partner 1 Ltd	Film production	Ordinary	100
Sirius Film Partner 1 Ltd	Film production	Ordinary	100
Ivory Film Partner 1 Ltd	Film production	Ordinary	100
Quartz Film Partner 1 Ltd	Film production	Ordinary	100
Bronze Film Partner 1 Ltd	Film production	Ordinary	100
Fleet Film Partners 1 Ltd	Film production	Ordinary	100
Cairo Film Partners 1 Ltd	Film production	Ordinary	100
Phoenix Nominees Ltd	Acts as a nominee company	Ordinary	100
Ingenious Holdings Ltd	Investment holding company	Ordinary	100
Opal Film Partner 1 Ltd	Film investment	Ordinary	100
Amber Film Partner 1 Ltd	Film investment	Ordinary	100