

Registered Number 04212296
England and Wales

SAPPHIRE FILM PARTNER 1 LTD
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS
PERIOD ENDED 5 APRIL 2008



SAPPHIRE FILM PARTNER 1 LTD

Directors D M Reid
J L Boyton

Secretary S Cruickshank

Registered Office 15 Golden Square
London
W1F 9JG

Registered Number 04212296

Auditors Shipleys LLP
Chartered Accountants
London, UK

Business Address 15 Golden Square
London
W1F 9JG

SAPPHIRE FILM PARTNER 1 LTD

CONTENTS

Reports

Directors' Report	1
Independent Auditors' Report	3

Accounts

Profit and Loss Account	5
Balance Sheet	6
Principal Accounting Policies	7
Notes to the Accounts	8

SAPPHIRE FILM PARTNER 1 LTD

DIRECTORS' REPORT 5 APRIL 2008

The directors present their report with the audited accounts of the company for the period ended 5 April 2008

This directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985

Principal Activities

The principal activity of the company continued to be as a partner in Sapphire Film Partners, a partnership formed to pursue commercial film opportunities

During the period the company made a further investment in Sapphire Film Partners

Going Concern

At the period end the balance sheet had net assets of £1 (2007 £1) Included within the creditors is £8,308,161 due to group companies The directors have received assurance that the group company creditors will not require repayment until the company is in a position to do so, and will continue to support the company for the foreseeable future As a result, the directors have prepared the accounts on a going concern basis, which the directors feel is wholly appropriate

Directors

The directors of the company who served during the year are listed below

D M Reid
J L Boyton
SE Ford

Date of Resignation

9 May 2008

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) The financial statements are required by law to 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,

SAPPHIRE FILM PARTNER 1 LTD

DIRECTORS' REPORT (CONTINUED) 5 APRIL 2008

- ♦ state whether applicable UK 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 proper accounting records that 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 1985. 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.

Disclosure of relevant information to auditors

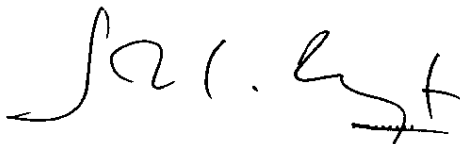
Each of the persons who is a director at the date of approval of this report confirm that

- so far as the director is aware, there is no relevant audit information of which the company's auditors are 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 auditors are aware of the information

Auditors

During the year, Shipleys LLP were appointed auditors

Signed on behalf of the board of directors by



JL BOYTON
Director

Approved by the Board on

26/06/08

SAPPHIRE FILM PARTNER 1 LTD

INDEPENDENT AUDITORS' REPORT 5 APRIL 2008

Independent auditors' report to the shareholders of Sapphire Film Partner 1 Ltd

We have audited the financial statements of Sapphire Film Partner 1 Ltd for the period ending 5 April 2008 which comprise of the Profit and Loss account, the Balance Sheet and the related notes 1 to 10. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 independent auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

SAPPHIRE FILM PARTNER 1 LTD

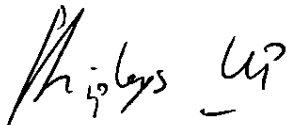
INDEPENDENT AUDITORS' REPORT (CONTINUED) 5 APRIL 2008

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 5 April 2008 and of its results for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



SHIPLEYS LLP

Chartered Accountants and Registered Auditors
London, UK

26 JUN 2008

SAPPHIRE FILM PARTNER 1 LTD

**PROFIT AND LOSS ACCOUNT
YEAR TO 5 APRIL 2008**

The company made no other trade during the period other than the investment as stated in the Directors' Report

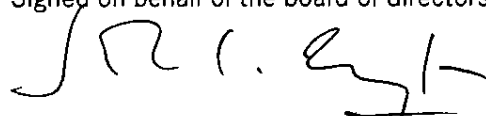
The company has no other recognised gains or losses

SAPPHIRE FILM PARTNER 1 LTD

BALANCE SHEET AS AT 5 APRIL 2008

	Note	2008 £	2008 £	2007 £	2007 £
Fixed Assets					
Investments	3		8,308,161		1
Current Assets					
Amounts Owed by Group Undertakings	4	1		1	
Creditors: Amounts falling due within one year					
Other Creditors	5	1		1	
Net Current Assets		<u>0</u>		<u>0</u>	
Total Assets less Current Liabilities			<u>8,308,161</u>		<u>1</u>
Creditors: Amounts falling due after one year					
Amounts Owed to Group Undertakings	6		<u>8,308,160</u>		<u>0</u>
NET ASSETS			<u>1</u>		<u>1</u>
Capital and Reserves					
Called Up Share Capital	7		1		1
EQUITY SHAREHOLDER'S FUNDS			<u>1</u>		<u>1</u>

Signed on behalf of the board of directors by



JL BOYTON
Director

Approved by the board on

26/06/08

SAPPHIRE FILM PARTNER 1 LTD

PRINCIPAL ACCOUNTING POLICIES **5 APRIL 2008**

Basis of accounting

The financial statements have been prepared under the historical cost convention, on a going concern basis which the directors consider to be appropriate given the assurances provided by the holding company, and in accordance with applicable accounting standards

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' (revised 1996)

Fixed asset investments

Fixed asset investments in partnership are stated at cost less any provision for impairment at the year end

SAPPHIRE FILM PARTNER 1 LTD

NOTES TO THE ACCOUNTS 5 APRIL 2008

1. Directors' remuneration

The only employees of the company were the directors. During the period, the company paid no directors' emoluments. Emoluments paid by the ultimate holding company, Ingenious Media Holdings Plc, are disclosed in that company's accounts.

2. Auditors' remuneration

The remuneration for auditors of £1,350 for audit services has been borne by Ingenious Media Ltd, a company within the Ingenious Media group of companies.

3 Fixed asset investments

	2008 £	2007 £
Investment in partnership	8,308,161	1

4 Debtors

	2008 £	2007 £
Amounts owed by group undertakings	1	1

5 Creditors: Amounts falling due within one year

	2008 £	2007 £
Other Creditors	1	1

6 Creditors: Amounts falling due after one year

	2008 £	2007 £
Loan – Ingenious Treasury Services Limited	8,308,160	0

SAPPHIRE FILM PARTNER 1 LTD

NOTES TO THE ACCOUNTS 5 APRIL 2008

7 Called up Share Capital

	2008 £	2007 £
Ordinary share of £1 each		
Authorised	100,000	100,000
Alloted and called up	<u>1</u>	<u>1</u>

8 Reconciliation of movements in shareholder's funds

	2008 £	2007 £
Opening shareholder's funds at 1 April 2007	1	1
New share capital subscribed	-	-
Closing shareholder's funds at 5 April 2008	<u>1</u>	<u>1</u>

9 Ultimate holding company and control

During the year ended 5 April 2008 the company was a wholly owned subsidiary of Ingenious Media Ltd, a company registered in England and Wales. Ingenious Media Ltd is a wholly owned subsidiary of Ingenious Media Holdings Plc, the ultimate parent company. Ingenious Media Holdings Plc is the only parent undertaking for which group accounts 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.

10 Related parties

Ingenious Media Ltd is a wholly owned subsidiary of Ingenious Media Holdings Plc and as such, has taken advantage of the exemption allowed by Financial Reporting Standard No 8 to not disclose details of transactions and balances with other related entities of Ingenious Media Holdings Plc.

The directors consider that there are no other related party relationships, transactions or balances which require disclosure.