

JAC Films 7 Limited

Report and Accounts

31 December 2008

6440791

**Rees Pollock
Chartered Accountants**

TUESDAY



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29/09/2009

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COMPANIES HOUSE

OFFICERS AND PROFESSIONAL ADVISERS

Directors OCS Services Limited
P S Latham

Company Secretary OCS Services Limited

Registered Office 8 Angel Court
London
EC2R 7HP

Auditor Rees Pollock
35 New Bridge Street
London
EC4V 6BW

Registered Number 06440791

DIRECTORS' REPORT

The directors present their report and the accounts of the company for the period ended 31 December 2008.

Principal activities and business review

The company was incorporated on 29 November 2007 and began trading on 1 February 2008. The company changed its name from JES Payroll Services 2 Limited on 18 July 2009 and JAC Rights Management 2 Limited on 21 August 2008.

The company's principal activity was that of film production.

Results and dividends

The loss for the period, after taxation, amounted to £129,020.

Directors

The directors who served the company during the year were as follows:

OCS Services Limited	(appointed 29 November 2007)
P S Latham	(appointed 29 November 2007, resigned 1 February 2008, re-appointed 28 April 2009)
J A Campbell	(appointed 1 February 2008, resigned 28 April 2009)

Directors' responsibilities

The directors are responsible for preparing the annual report and the accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The accounts 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 accounts, 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, subject to any material departures disclosed and explained in the financial statements;
- prepare the accounts 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 accounts 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.

Provision of information to auditors

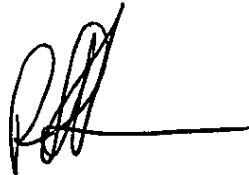
Each of the persons who are directors at the date of approval of this directors' report confirms that:

- in so far as they are aware there is no relevant audit information of which the company's auditor is unaware; and
- they 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.

Auditor

The auditors, Rees Pollock, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 28 September 2009 and signed on its behalf.

A handwritten signature in black ink, consisting of stylized initials followed by a horizontal line.

OCS Services Limited
Director



REES POLLOCK

Chartered Accountants

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London EC4V 6BW
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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF JAC FILMS 7 LIMITED

We have audited the accounts of JAC Films 7 Limited for the year ended 31 December 2008 on pages 5 to 9, which have been prepared on the basis of the accounting policies set out on page 7.

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the accounts 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 accounts 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 accounts 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 accounts. 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 director's 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 audit 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 accounts. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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 accounts 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 accounts.

Opinion

In our opinion:

- the accounts 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 31 December 2008 and of its loss for the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the accounts.

Rees Pollock
Chartered Accountants & Registered Auditors

28 September 2009

PROFIT AND LOSS ACCOUNT
 for the period ended 31 December 2008

	Note	2008 £
Administrative expenses		(150,065)
OPERATING LOSS	2	(150,065)
Interest receivable		21,121
Interest payable	3	(76)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(129,020)
Tax on loss on ordinary activities	4	—
LOSS CARRIED FORWARD		<u>(129,020)</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the period as set out above.

The notes on pages 7 to 9 form part of these accounts.

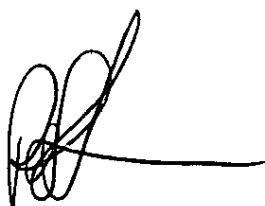
JAC Films 7 Limited

BALANCE SHEET
at 31 December 2008

	Note	£	2008 £
CURRENT ASSETS			
Cash at bank		1,095	
		<u>1,095</u>	
CREDITORS: amounts falling due within one year	5	(130,113)	
		<u></u>	
NET CURRENT LIABILITIES			(129,018)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(129,018)</u>
CAPITAL AND RESERVES			
Called-up share capital	6		—
Share premium account	6		2
Profit and loss account			(129,020)
			<u></u>
SHAREHOLDERS' DEFICIT	7		<u>(129,018)</u>

These accounts were approved and signed by the director and authorised for issue on 28 September 2009.

OCS Services Limited
Director



The notes on pages 7 to 9 form part of these accounts.

NOTES TO THE ACCOUNTS

for the period ended 31 December 2008

1. ACCOUNTING POLICIES**Basis of accounting**

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Cash flow statement

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

Turnover

Turnover comprises revenue recognised by the company in respect of services supplied, exclusive of value added tax.

Going concern

The directors are aware the company is in a net liability position at the year end. However, given the nature of the film production business, income in respect of these rights is only anticipated in the medium to long term. It is also anticipated that the company will have significantly reduced costs in subsequent years. Given this the directors consider the company to be a going concern.

2. OPERATING LOSS

During the period no director received any emoluments.

3. INTEREST PAYABLE

	2008
	£
On bank loans and overdrafts	76
	<u> </u>

4. TAXATION ON ORDINARY ACTIVITIES**(a) Analysis of charge in the year**

	2008
	£
Current tax	
UK Corporation tax based on the results for the year at 21%	—
	<u> </u>
Total current tax	<u> </u>

NOTES TO THE ACCOUNTS

for the period ended 31 December 2008

4. TAXATION ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 28%.

	2008 £
Loss on ordinary activities before taxation	(129,020)
Loss on ordinary activities by small companies rate of tax of 21%	(27,094)
Effects of:	
Expenses disallowed for tax purposes	23,100
Movement in available tax losses	3,994
Total current tax (note 4(a))	—

5. CREDITORS: amounts falling due within one year

	2008 £
Amounts owed to group undertakings	129,713
Other creditors	400
	<u>130,113</u>

6. SHARE CAPITAL

Authorised share capital:

	2008 £
2,500,000 Ordinary shares of £0.10 each	<u>250,000</u>

Allotted, called up and fully paid:

	2008
	No £
Ordinary shares of £0.10 each	<u>2 0.20</u>

On the date of incorporation the company issued 2 Ordinary shares of £0.10 each for consideration of £2. This gave rise to a premium of £1.80 shown in reserves on the balance sheet.

NOTES TO THE ACCOUNTS

for the period ended 31 December 2008

7. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	2008 £
Opening shareholders' funds	—
Loss for the financial period	(129,020)
Shares issued during the period	<u>2</u>
Closing shareholders' deficit	<u>(129,018)</u>

8. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary where the company's results are included in the consolidated financial statements of JAC Films Holdings 7 Limited, the company is exempt under FRS 8 from the requirement to disclose transactions with other group companies.

There are no related party transactions external to the group.

9. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate and ultimate parent is JAC Films Holdings 7 Limited, a company registered in England and Wales.