

INGENIOUS CONSULTING ASSOCIATES LIMITED

REPORT AND FINANCIAL STATEMENTS

5 APRIL 2009

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COMPANIES HOUSE

Company Registration Number
06536754 (England and Wales)

INGENIOUS CONSULTING ASSOCIATES LIMITED

Directors N A Forster
P A McKenna
K J N Meek

Secretary S J Cruickshank

Registered Office 15 Golden Square
London
W1F 9JG

Registered Number 06536754 (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

INGENIOUS CONSULTING ASSOCIATES LIMITED

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DIRECTORS' REPORT

5 APRIL 2009

The directors present their Report and audited Financial Statements of the company for the period from incorporation on 17 March 2008 to 5 April 2009.

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 activity

The principal activity of the company is the provision of management consultancy services within the media and entertainment sector.

Going concern

After making enquiries, the directors have 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 Report and Financial Statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of accounting policies in the Financial Statements.

Directors

The directors in office during the year and subsequently were as follows:

	Appointment date	Resignation date
A J Croxon	17/03/2008	08/05/2009
S E Ford	17/03/2008	09/05/2008
N A Forster	18/08/2008	
P A McKenna	17/03/2008	
K J N Meek	17/03/2008	

Principal risks and uncertainties

A prolonged economic downturn is a continuing risk for the company. Group risks are discussed in the Ingenious Media Holdings plc Annual Report.

Financial risk management

The company is exposed to financial risk through its financial assets and liabilities. The settlement of trade debtors is the company's primary credit risk. The corresponding debtor position in the company's balance sheet is monitored regularly.

DIRECTORS' REPORT (continued)

5 APRIL 2009

Creditors payment policy

The company does not follow any specific code or standard on payment of creditors. 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 Report and 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

DIRECTORS' REPORT (continued)

5 APRIL 2009

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 s234ZA of the Companies Act 1985.

On 1 December 2008 Deloitte & Touche LLP changed its name to Deloitte LLP.

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 Section 386 of the Companies Act 1985.

Approved by the board and signed on its behalf by



S J CRUICKSHANK

Secretary

12/12/2009

Registered office

15 Golden Square

London

W1F 9JG

Company Registration Number: 06536754 (England and Wales)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INGENIOUS CONSULTING ASSOCIATES LIMITED

We have audited the financial statements of Ingenious Consulting Associates Limited for the period from 17 March 2008 to 5 April 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Accounting Policies and the related notes 1 to 13. 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 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 other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any further information outside the Annual Report.

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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INGENIOUS CONSULTING ASSOCIATES LIMITED
(continued)

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 of the state of the company's affairs as at 5 April 2009 and of its loss for the period then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the information given in the Directors' Report is consistent with the financial statements.



Deloitte LLP
Chartered Accountants and Registered Auditors
London, United Kingdom
24/12 2009

PROFIT AND LOSS ACCOUNT
Period ended 5 April 2009

	Notes	Period from 17 March 2008 to 5 April 2009 £ '000s
Turnover	1	1,102
Cost of sales		<u>(83)</u>
Gross profit		1,019
Administrative expenses	2	<u>(1,055)</u>
Operating loss		(36)
Interest receivable and similar income	4	1
Interest payable and similar charges	5	<u>(27)</u>
Loss on ordinary activities before taxation		(62)
Taxation	6	<u>-</u>
Loss for the financial period	10	<u>(62)</u>

All of the company's turnover and operating loss is derived from continuing operations during the current financial period.

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.

BALANCE SHEET
As at 5 April 2009

	Notes	5 April 2009 £ '000s
Current assets		
Debtors	7	1,014
Cash at bank and in hand		<u>5</u>
		1,019
Creditors: Amounts falling due within one year	8	<u>(1,081)</u>
Net current liabilities		<u>(62)</u>
Total assets less current liabilities		<u>(62)</u>
Net liabilities		<u>(62)</u>
Capital and reserves		
Called up share capital	9	-
Profit and loss account	10	<u>(62)</u>
Shareholders' deficit	11	<u>(62)</u>

The financial statements were approved by the board and authorised for issue on 17/12/2009.

They were signed on behalf of the board of directors by:



N A Forster

Director

17/12/2009

STATEMENT OF ACCOUNTING POLICIES

5 APRIL 2009

The principal accounting policies are summarised below. They have been applied consistently throughout the period.

Basis of accounting

The Financial Statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

The company's business activities and key risks are set out in the Directors' Report. As part of the Ingenious group, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

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.

The group has agreed to provide financial support to the company, if required, for at least 12 months post approval of these accounts.

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*'.

Turnover

Turnover represents amounts receivable for services provided in the normal course of business, net of VAT.

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 accounts.

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

STATEMENT OF ACCOUNTING POLICIES (continued)
5 APRIL 2009

Long-term contracts

Amounts recoverable on long-term contracts, which are included in debtors, are stated at the net sales value of the work performed less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the Profit and Loss account turnover and related costs as contract activity progresses. Turnover is calculated by reference to the value of work performed to date as a proportion of the total contract value.

NOTES TO THE ACCOUNTS
5 APRIL 2009

1. Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

2. Operating loss

Period from
 17 March 2008
 to 5 April
 2009
 £ '000s

This is stated after charging:

Fees for the audit of the company	5
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3. Staff costs and directors' remuneration

The company had no employees during the year and hence incurred no staff costs. The directors did not receive any remuneration in respect of their services to the company. The profit and loss account reflects a charge in respect of costs allocated by other group companies based upon time spent on the company's activities.

4. Interest receivable and similar income

Period from
 17 March 2008
 to 5 April
 2009
 £ '000s

Bank interest	1
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5. Interest payable and similar charges

Period from
 17 March 2008
 to 5 April
 2009
 £ '000s

Intra group interest payable	27
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NOTES TO THE ACCOUNTS (continued)
5 APRIL 2009

6. Taxation

The tax charge on the loss on ordinary activities for the period was as follows:

	Period from 17 March 2008 5 April 2009 £ '000s
UK Corporation tax at 28% based on the adjusted results for the period	-
Current tax charge	-

Factors affecting tax charge for the period:

	5 April 2009 £ '000s
Loss on ordinary activities before taxation	(62)
Loss on ordinary activities for the period multiplied by standard rate of corporation tax in the UK of 28%	(17)
Effects of:	
Group relief surrendered	17
Current tax charge	-

7. Debtors

	5 April 2009 £ '000s
Amounts falling due within one year:	
Trade debtors	325
Amounts owed by group undertaking	682
Social security and other taxes	7
	1,014

NOTES TO THE ACCOUNTS (continued)
5 APRIL 2009

8. Creditors: Amounts falling due within one year

	5 April 2009 £ '000s
Amounts owed to group undertakings	1,076
Accruals and deferred income	5
	<u>1,081</u>

9. Called up share capital

	Authorised 5 April 2009 £ '000s	No '000s
Ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
	5 April 2009 £	No
Ordinary shares of £1 each	1	1

10. Statement of movements on profit and loss account

	Profit and Loss account 2009 £ '000s
Loss for the period	<u>(62)</u>
Balance carried forward	<u>(62)</u>

NOTES TO THE ACCOUNTS (continued)
5 APRIL 2009

11. Reconciliation of movements in shareholders' deficit

	5 April 2009 £ '000s
Loss for the period after taxation	(62)
Net movement in shareholders' funds	(62)
Shareholders' funds brought forward	-
Shareholders' deficit carried forward	(62)

12. Related party transactions

During the period the company conducted transactions with related parties as follows:

	5 April 2009 £'000s
Consulting fee income	
Perspective Associates Limited *	12
Consulting fee expense	
Perspective Associates Limited *	(5)

Amounts owed by related parties as at balance sheet date are as follows:

	5 April 2009 £'000s
Amounts owed by group undertakings	
Perspective Associates Limited *	7

* Perspective Associates Limited is a fellow group undertaking that is not 100% owned by the group.

NOTES TO THE ACCOUNTS (continued)

5 APRIL 2009

13. Controlling party

During the period ended 5 April 2009 the company was a subsidiary of Ingenious Media Limited, 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 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.

During the period under review, the controlling shareholder of Ingenious Media Holdings plc was PA McKenna.