

LITTLE BLAIR PRODUCTIONS IM LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

5 APRIL 2012



Company Registration Number
07112803 (England and Wales)

LITTLE BLAIR PRODUCTIONS IM LIMITED

Directors J L Boyton
M T Bugden
J H M Clayton
N A Forster
D M Reid
S J Speight

Company Secretary S J Cruickshank

Registered Office 15 Golden Square
London
W1F 9JG

Registered Number 07112803 (England and Wales)

Auditor 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

LITTLE BLAIR PRODUCTIONS IM LIMITED

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DIRECTORS' REPORT
5 APRIL 2012

The directors present the Annual Report and Financial Statements of Little Blair Productions IM Limited ("the Company") for the year ended 5 April 2012

Principal activity

The Company is a wholly-owned subsidiary of Ingenious Media Limited, which is a wholly-owned subsidiary within the Ingenious Media Holdings plc group ("the Group"). The principal activity of the Company was as the corporate member of Little Blair Productions LLP ("the Partnership"). The directors are not aware of any major changes in the Company's activities in the next year.

The Group 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 its development, performance or position.

Going concern

The directors have a reasonable expectation that the Company will be able 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.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Principal risks and uncertainties

The key business risks faced by the Company can be affected by a number of factors some of which may result from matters beyond the Company's control, such as conditions in the domestic and global financial markets and the wider economy. The financial risk and operational management policies are determined for the Group as a whole and are discussed in the Group's Annual Report and Financial Statements.

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

(a) Liquidity risk

The Group operates a group-wide treasury management strategy to manage the liquidity requirements of the Group as a whole (including the Company) and is discussed in the Group's Annual Report and Financial Statements.

(b) Credit risk

The Company's principal financial assets are bank balances and trade debtors with the Company's credit risk primarily attributable to its trade debtors. Where possible the Company reviews the credit rating of its partners and undertakes regular detailed reviews of any outstanding receivable balances. The amounts presented in the Balance Sheet are net of allowances for doubtful receivables. The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and partners.

Results and dividends

The results for the year are set out on page 6.

The directors do not propose to pay a final dividend (year ended 5 April 2011: £nil).

No interim dividends were paid during the year (year ended 5 April 2011: £nil).

DIRECTORS' REPORT (CONTINUED)

5 APRIL 2012

Future developments

The Company intends to continue to undertake its principal activity

Directors

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

J L Boyton
M T Bugden
J H M Clayton
N A Forster
D M Reid
S J Speight

Provision of insurance to directors

All directors were covered by Directors and Officers liability insurance throughout the year under review and this will continue to remain in force

Creditors payment policy

The Company does not follow any specific code or standard on payment of creditors. The Company agrees 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 laws and regulations.

Company law requires the directors to prepare financial statements for each financial period. 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 the 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 and 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 2012

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 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 auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006

In the absence of a notice proposing that the appointment be terminated, the auditor, Deloitte LLP, will be deemed to be re-appointed in accordance with section 487 of the Companies Act 2006

Approved by the board of directors and signed on its behalf by



S J Cruickshank
Company Secretary
Date 9/8/2012

Registered office
15 Golden Square
London
W1F 9JG

Company Registration Number 07112803 (England and Wales)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LITTLE BLAIR PRODUCTIONS IM LIMITED

We have audited the financial statements of Little Blair Productions IM Limited for the year ended 5 April 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Accounting Policies and the related notes 1 to 8. 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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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 and express an opinion on 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 Ethical Standards for Auditors.

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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2012 and of its result 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 AUDITOR'S REPORT TO THE MEMBERS OF LITTLE BLAIR PRODUCTIONS IM 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 Auditor
London, United Kingdom
Date *9 August 2012*

LITTLE BLAIR PRODUCTIONS IM LIMITED

**PROFIT AND LOSS ACCOUNT
YEAR ENDED 5 APRIL 2012**

Result

The Company received no income nor incurred any expenditure and therefore made neither a profit or a loss, and consequently no Profit and Loss Account or Statement of Total Recognised Gains and Losses have been presented

The accounting policies and notes to the financial statements on pages 8 to 10 form an integral part of the financial statements

LITTLE BLAIR PRODUCTIONS IM LIMITED

BALANCE SHEET AS AT 5 APRIL 2012

	Notes	5 April 2012 £ 000's	5 April 2011 £ 000's
Fixed assets			
Investments	3	5,320	5,320
Total assets less current liabilities		5,320	5,320
Creditors: amounts falling due after more than one year	4	(5,320)	(5,320)
Net assets		-	-
Capital and reserves			
Called up share capital	5	-	-
Shareholder's funds		-	-

The accounting policies and notes to the financial statements on pages 8 to 10 form an integral part of the financial statements

The financial statements were approved by the board of directors and authorised for issue on 9/8/2012

They were signed on behalf of the board of directors by



N A Forster
Director

Company Registration Number 07112803 (England and Wales)

STATEMENT OF ACCOUNTING POLICIES
5 APRIL 2012

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

Basis of accounting

The Annual Report and Financial Statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

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.

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'.

Investments

Interests in partnerships

Fixed asset investments in associated undertakings are stated at cost less any permanent diminution in value.

Trade loans

Trade loans are recorded at the full extent of their legal liability at the date that the loan agreement was signed, less any repayments made.

NOTES TO THE FINANCIAL STATEMENTS
5 APRIL 2012

1 Staff costs

The Company incurred no staff costs nor paid any remuneration to its directors during the year (year ended 5 April 2011 £nil) The Company had no employees during the current and prior year

The emoluments of the directors were paid and borne by other Group undertakings and none of their remuneration was specifically attributable to their services to the Company

2. Audit costs

Audit fees of £2,300 (year ended 5 April 2011 £2,500) payable to the Company's auditor is borne by another Group company, Ingenious Media Limited

3. Fixed asset investments

	5 April 2012 £ 000's	5 April 2011 £ 000's
Share of Partnership undertakings		
Opening balance at beginning of year	5,320	5,320
Additions	-	-
Closing balance at end of year	5,320	5,320

The Company is a member of the Partnership, holding 72% of the Partnership capital The Partnership is a film production business Its place of business and head office address is 15 Golden Square, London W1F 9JG, United Kingdom

The Partnership made a net profit of £0.027m for the year ended 5 April 2012 (year ended 5 April 2011 £0.004m) Further information on this investment is provided in note 6

4 Creditors: amounts falling due after more than one year

	5 April 2012 £ 000's	5 April 2011 £ 000's
Trade loans	5,320	5,320

Trade loans relate to loans from a commissioning distributor The Company has granted security to the lenders for its obligations under the loan agreements The security pledged is a charge over all of the Company's rights, title and interest in relation to the underlying film productions No interest is payable and there are no terms of repayment

5. Called up share capital

	Alloted, called up and unpaid			
	5 April 2012		5 April 2011	
	£	No	£	No
Ordinary share of £1	1	1	1	1

NOTES TO THE FINANCIAL STATEMENTS

5 APRIL 2012

6 Additional information on partnership undertaking

During the year the Company had an interest in the following Partnership

Associated Undertaking	Activity	Class	%
Little Blair Productions LLP	Film Production Business	Corporate Member	72%

The interest in the Partnership was purchased for £5.3m by the Company. Under the terms of the Members' Agreement for the Partnership, the Company is entitled to draw 40% of all Partnership income until the aggregate income equals the aggregate of all the Partnership's expenditure. Thereafter, the Company will be entitled to draw 80% of all Partnership income until such time when the cumulative aggregate income has been allocated between the executive members pro rata to their respective capital contributions made. Profits and losses of the Partnership are allocated in accordance with the Members' Agreement.

The Partnership's operating profit for the year ended 5 April 2012 was £0.027m (year ended 5 April 2011: £0.004m) resulting in a net asset position of £0.8m at that date (year ended 5 April 2011: £0.8m).

7. Related party transactions

The financial statements do not include disclosure of transactions between the Company and entities that are wholly-owned within the Group. This is because, as a subsidiary whose shares are wholly-owned within the Group, it is exempt from the requirement to disclose such transactions, under Financial Reporting Standard 8 'Related Party Disclosures'.

Ingenious Films Limited acts as a consultant to the Partnership. The directors of the Company acted as directors of Ingenious Films Limited during all or part of the year ended 5 April 2012. The Company and Ingenious Films Limited are wholly-owned subsidiaries of Ingenious Media Limited, which is itself a wholly-owned subsidiary of Ingenious Media Holdings plc, the ultimate parent company of the Group.

J L Boyton, M T Bugden, J H M Clayton, N A Forster, D M Reid and S J Speight acted as directors of the Company during the year ended 5 April 2012. J L Boyton, N A Forster and D M Reid are also directors of Ingenious Media Holdings plc.

The investment made by the Company in the Partnership is detailed in notes 3 and 6.

The directors consider the Partnership to be an associated undertaking of the Company.

8. Controlling party

During the year ended 5 April 2012 the Company was a wholly-owned subsidiary of Ingenious Media Limited, a company registered in England and Wales. Ingenious Media Limited is a wholly-owned subsidiary within the Group. 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, Mandy, Cardiff CF14 3UZ.

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