LITTLE BLAIR PRODUCTIONS IM LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD FROM 6 APRIL 2014 TO 30 JUNE 2015

Company Registration Number
07112803 (England and Wales)

LITTLE BLAIR PRODUCTIONS IM LIMITED

Directors	J L Boyton N A Forster D M Reid
Company Secretary	S J Cruickshank
Registered Office	15 Golden Square London W1F 9JG
Registered Number	07112803 (England and Wales)
Auditor	Deloitte LLP Chartered Accountants Hill House 1 Little New Street London
Business Address	15 Golden Square London W1F 9JG

CONTENTS

DIRECTORS' REPORT
30 JUNE 2015

The directors present the Report and Financial Statements of Little Blair Productions IM Limited ("the Company") for the period from 6 April 2014 to 30 June 2015 ("the period").

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 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 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 Report and Financial Statements.

(b) Credit risk

The Company's principal financial assets and credit risk are 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.

Results and dividends

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

The directors do not propose to pay a final dividend (year ended 5 April 2014: £nil).

An interim dividend of £100k was paid during the period (year ended 5 April 2014: £nil).

DIRECTORS' REPORT (CONTINUED)
30 JUNE 2015

Future developments

The Company intends to continue to undertake its principal activity.

Directors

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

J L Boyton	
M T Bugden	Resigned 30 November 2015
J H M Clayton	Resigned 19 September 2014
N A Forster	
D M Reid	
S J Speight	Resigned 1 December 2015

Provision of insurance to directors

All directors were covered by Directors and Officers liability insurance throughout the period 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 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)
30 JUNE 2015

Change of year end

On 9 July 2015 it was resolved to amend the accounting period of the Company and to extend it to 30 June so as to be coterminous with the year end of the Group. Accordingly, the current financial statements are prepared for 15 months from 6 April 2014 to 30 June 2015.

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.

This Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. The Company has taken advantage of the exemption for the requirement to disclose an enhanced business review and to prepare a strategic report in accordance with section 414B of the Companies Act 2006.

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

J L Boyton
Director
Date: 22/03/2016

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 period ended 30 June 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Accounting Policies and the related notes 1 to 14. 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 report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 30 June 2015 and of its profit for the period 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 period 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; or
- the directors were not entitled to take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report.

Calum Thomson (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
Date: 23.3.16

PROFIT AND LOSS ACCOUNT
PERIOD FROM 6 APRIL 2014 TO 30 JUNE 2015

	Notes	Period from 6 April 2014 to 30 June 2015 £ '000s	Year ended 5 April 2014 £ '000s
Turnover	1	**108**	187
Cost of sales		**(94)**	(164)
Gross profit		**14**	23
Adminstrative expenses		**(3)**	(2)
Operating profit	2	**11**	21
Profit on ordinary activities before taxation		**11**	21
Taxation	4	**-**	-
Profit on ordinary activities after taxation	10	**11**	21

The accounting policies and notes to the financial statements on pages 8 to 12 form an integral part of the financial statements.

All of the Company's profit is derived from continuing operations during the current period 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.

BALANCE SHEET
AS AT 30 JUNE 2015

	Notes	30 June 2015 £ 000's	5 April 2014 £ 000's
Fixed assets			
Investments	5	**4,205**	**4,299**
Current assets			
Debtors	6	**159**	**141**
Creditors: amounts falling due within one year	7	**(110)**	**(2)**
Net current assets		**49**	**139**
Total assets less current liabilities		**4,254**	**4,438**
Creditors: amounts falling due after more than one year	8	**(4,204)**	**(4,299)**
Net assets		**8,457**	**139**
Capital and reserves			
Called up share capital	9	-	-
Profit and loss account	10	**50**	**139**
Shareholder's funds	11	**50**	**139**

The accounting policies and notes to the financial statements on pages 8 to 12 form an integral part of the financial statements.

The financial statements were approved by the board of directors and authorised for issue on 22/03/2016.

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

J L Boyton
Director

Company Registration Number: 07112803 (England and Wales)

STATEMENT OF ACCOUNTING POLICIES
30 JUNE 2015

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

Basis of accounting

The 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. As part of the Group, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. On that basis the directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the Report and Financial Statements.

Cash flow statement

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 (Revised) 'Cash Flow Statements'.

Turnover

Turnover represents amounts receivable for services net of VAT and trade discounts derived from the Company's principal activity recorded on an accruals basis.

Cost of sales

Cost of sales represents direct costs attributable to turnover.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

1. Turnover

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

2. Operating profit

	Period from 6 April 2014 to 30 June 2015 £ 000's	Year ended 5 April 2014 £ 000's
This is stated after charging:		
Fees for the statutory audit of the Company	3	2

3. Staff costs

The Company incurred no staff costs nor paid any remuneration to its directors during the period (year ended 5 April 2014: £nil). The Company had no employees during the current period 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.

4. Taxation

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

	Period from 6 April 2014 to 30 June 2015 £ 000's	Year ended 5 April 2014 £ 000's
UK corporation tax at 21% for the period from 6 April 2014 to 31 March 2015 and 20% for the period from 1 April 2015 to 30 June 2015 (23% for the period from 6 April 2013 to 31 March 2014 and 21% for the period from 1 April 2014 to 5 April 2014) based on the adjusted results of the period/year.	-	-
Current tax charge	-	-

Factors affecting tax charge for the period/year:

	Period from 6 April 2014 to 30 June 2015 £ 000's	Year ended 5 April 2013 £ 000's
Profit on ordinary activities before taxation	11	21
UK corporation tax at 21% for the period from 6 April 2014 to 31 March 2015 and 20% for the period from 1 April 2015 to 30 June 2015 (23% for the period from 6 April 2013 to 31 March 2014 and 21% for the period from 1 April 2014 to 5 April 2014) based on the adjusted results of the period/year.	2	4
Adjustment to allocation from the Partnership	(3)	(5)
Group relief surrendered	1	1
Current tax charge	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
30 JUNE 2015

5. Fixed asset investments

Share of Partnership undertakings	30 June 2015 £ 000's	5 April 2014 £ 000's
Opening balance at beginning of period/year	**4,299**	4,463
Permanent diminution of value	**(94)**	(164)
Closing balance at end of year	**4,205**	4,299

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.

6. Debtors

	30 June 2015 £ 000's	5 April 2014 £ 000's
Amounts owed by Group undertakings	**159**	141

7. Creditors: amounts falling due within one year

	30 June 2015 £ 000's	5 April 2014 £ 000's
Amount owed to Group undertakings	**110**	-
Accruals	**3**	2
	113	2

8. Creditors: amounts falling due after more than one year

	30 June 2015 £ 000's	5 April 2014 £ 000's
Trade loans creditor	**4,204**	4,299

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.

9. Called up share capital

	Alloted, called up and unpaid			
	30 June 2015		5 April 2014	
	£	No	£	No
Ordinary share of £1	**1**	**1**	1	1

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
30 JUNE 2015

10. Statement of movements on Profit and Loss Account

	30 June 2015 £ 000's	5 April 2014 £ 000's
Balance brought forward	**139**	118
Dividend paid	**(100)**	-
Profit for the financial period/year	**11**	21
Balance carried forward	**50**	139

11. Reconciliation of movements in shareholder's funds

	30 June 2015 £ 000's	5 April 2014 £ 000's
Profit for the financial period/year	**11**	21
Dividend paid	**(100)**	-
Net movement in shareholder's funds	**(89)**	21
Shareholder's funds brought forward	**139**	118
Shareholder's funds carried forward	**50**	139

12. Additional information on partnership undertaking

During the period 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 in a prior period. 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 unaudited operating profit for the year ended 31 January 2015 was £205k (year ended 31 January 2014: £461k) resulting in an unaudited net asset position of £29k at that date (year ended 31 January 2014: net asset position of £61k).

13. 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 period ended 30 June 2015. 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, N A Forster, D M Reid and S J Speight acted as directors of the Company during all or part of the period ended 30 June 2015. 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 5 and 12.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
30 June 2015

14. Controlling party

During the period ended 30 June 2015 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, Maindy, Cardiff CF14 3UZ.

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