

BIG SCREEN PRODUCTIONS 14 IM LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD FROM 6 APRIL 2014 TO 30 JUNE 2015

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COMPANIES HOUSE

Company Registration Number
07140460 (England and Wales)

BIG SCREEN PRODUCTIONS 14 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 07140460 (England and Wales)

Auditor Deloitte LLP
Chartered Accountants
Hill House
1 Little New Street
London
EC4A 3TR

Business Address 15 Golden Square
London
W1F 9JG

Banker Barclays Wealth
38 Hans Crescent
London
SW1X 0LZ

BIG SCREEN PRODUCTIONS 14 IM LIMITED

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DIRECTORS' REPORT
30 JUNE 2015

The directors present the Report and Financial Statements of Big Screen Productions 14 IM Limited ("the Company") for the period ended 30 June 2015.

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 is as a member of Big Screen Productions 14 LLP ("the Partnership"). The directors are not aware of any likely 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.

Due to the nature of the Company's investment in the Partnership, the Company is expecting to realise cumulative profits in future years.

Going concern

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 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.

Financial risk management

The Company is exposed to financial risk through its financial assets and liabilities. The Company has an investment in the Partnership which it reviews on a regular basis. All other balances are predominantly amounts owed by or owing to companies within the Group or are connected to the investment in the Partnership.

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).

No interim dividend was paid during the period (year ended 5 April 2014: £nil).

Future developments

The Company intends to continue to undertake its principal activity.

DIRECTORS' REPORT (CONTINUED)
30 JUNE 2015

Directors

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

| | Resignation Date |
|---------------|-------------------|
| N A Bower | 17 October 2014 |
| J L Boyton | |
| M T Bugden | 30 November 2015 |
| J H M Clayton | 19 September 2014 |
| N A Forster | |
| D M Reid | |
| S J Speight | 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 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 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 subject to any material departures disclosed and explained in the financial statements; 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(2) of the Companies Act 2006.

Small company exemptions

This Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. This is in accordance with Part 15 of the Companies Act 2006. 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:



N A Forster

Director

Date: 29/2/2016

Registered office
15 Golden Square
London
W1F 9JG

Company Registration Number: 07140460 (England and Wales)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIG SCREEN PRODUCTIONS 14 IM LIMITED

We have audited the financial statements of Big Screen Productions 14 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

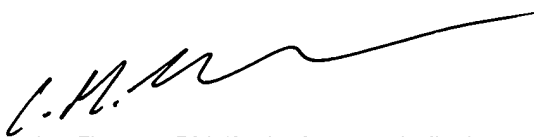
In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIG SCREEN PRODUCTIONS 14 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 the requirement to prepare a Strategic Report or in preparing the Directors' Report.



Calum Thomson FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
Date: 29/2/16

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 | 232 | 1,135 |
| Cost of sales | | <u>(217)</u> | <u>(1,084)</u> |
| Gross profit | | 15 | 51 |
| Administrative expenses | | <u>(2)</u> | <u>(2)</u> |
| Operating profit | 2 | <u>13</u> | <u>49</u> |
| Profit on ordinary activities before taxation | | 13 | 49 |
| Taxation | 4 | <u>-</u> | <u>-</u> |
| Profit on ordinary activities after taxation | 11 | <u>13</u> | <u>49</u> |

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 or 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 £ '000s | 5 April 2014 £ '000s |
|---|-------|----------------------------|----------------------------|
| Fixed assets | | | |
| Investments | 5 | 10,965 | 11,182 |
| Current assets | | | |
| Debtors | 6 | 61 | 77 |
| Creditors: amounts falling due within one year | 7 | (6) | (36) |
| Net current assets | | <u>55</u> | <u>41</u> |
| Total assets less current liabilities | | 11,020 | 11,223 |
| Creditors: amounts falling due after more than one year | 8 | (10,965) | (11,181) |
| Net assets | | <u>55</u> | <u>42</u> |
| Capital and reserves | | | |
| Called up share capital | 9 | - | - |
| Profit and loss account | 11 | <u>55</u> | <u>42</u> |
| Shareholder's funds | 12 | 55 | 42 |

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 29/2/2016

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



N A Forster
 Director

Company Registration Number: 07140460 (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. 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 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 the Company's entitlement to drawings from its investment in the Partnership and is recorded at the value of consideration due. Drawings are recognised on an accruals basis when the Company's right to consideration is secured in accordance with the terms of the Partnership's Members' Agreement.

Cost of sales

Cost of sales represents direct costs attributable to turnover.

Investments

The investment in the Partnership is 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 activity wholly undertaken in the United Kingdom.

2. Operating profit

| | Period from 6 April 2014 to 30 June 2015 £ '000s | Year ended 5 April 2014 £ '000s |
|---|---|--|
| This is stated after charging: | | |
| Fees for the statutory audit of the Company | 2 | 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 £ '000s | Year ended 5 April 2014 £ '000s |
|---|---|--|
| 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 (period from 6 April 2013 to 31 March 2014: 23%; period from 1 April 2014 to 5 April 2014: 21%) based on the adjusted results for the period/year. | - | - |
| Current tax charge | - | - |

Factors affecting tax charge for the period/year:

| | Period from 6 April 2014 to 30 June 2015 £ '000s | Year ended 5 April 2014 £ '000s |
|--|---|--|
| Profit on ordinary activities before taxation | 13 | 49 |
| Profit on ordinary activities for the period multiplied by standard rate of corporation tax in the UK of 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 (period from 6 April 2013 to 31 March 2014: 23%; period from 1 April 2014 to 5 April 2014: 21%) based on the adjusted results for the period/year. | 3 | 11 |
| Effects of: | | |
| Adjustment to allocation from the Partnership | (3) | (24) |
| Group relief surrendered | - | 13 |
| Current tax charge | - | - |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
30 JUNE 2015

5. Fixed asset investments

| | 30 June 2015 £ '000s | 5 April 2014 £ '000s |
|-----------------------------------|----------------------------|----------------------------|
| Share of Partnership undertaking: | | |
| Cost | | |
| Balance brought forward | 11,182 | 12,265 |
| Permanent diminution in value | (217) | (1,083) |
| Balance carried forward | 10,965 | 11,182 |

The Company is a member in the Partnership, holding 84% of the Partnership capital. At the period end the Company had a net investment of £11.0m (year ended 5 April 2014: £11.2m) in the Partnership. The Partnership is a film production business governed by English law. Its place of business and head office address is 15 Golden Square, London, W1F 9JG United Kingdom.

Further information on this investment is provided in note 14.

6. Debtors

| | 30 June 2015 £ '000s | 5 April 2014 £ '000s |
|----------------------------------|----------------------------|----------------------------|
| Amount owed by Group undertaking | 61 | - |
| Amount owed by the Partnership | - | 77 |
| | 61 | 77 |

7. Creditors: amounts falling due within one year

| | 30 June 2015 £ '000s | 5 April 2014 £ '000s |
|----------------------------------|----------------------------|----------------------------|
| Accruals and deferred income | 2 | 2 |
| Amount owed to Group undertaking | - | 34 |
| Amount owed to the Partnership | 4 | - |
| | 6 | 36 |

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

| | 30 June 2015 £ '000s | 5 April 2014 £ '000s |
|-------------|----------------------------|----------------------------|
| Trade loans | 10,965 | 11,181 |

Trade loans relate to loans from commissioning distributors. 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
30 JUNE 2015

9. Called up share capital

| | Allotted, called up and fully paid | | | |
|------------------------------------|------------------------------------|----|--------------|----|
| | 30 June 2015 | | 5 April 2014 | |
| | £ | No | £ | No |
| Ordinary share of £1 issued at par | 1 | 1 | 1 | 1 |

10. Related party transactions

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

Ingenious Media Investments Limited acts as operator of the Partnership. J L Boyton, M T Bugden, N A Forster, D M Reid and S J Speight were also directors of Ingenious Media Investments Limited during the period. The Company and Ingenious Media Investments Limited are wholly-owned subsidiaries of Ingenious Media Limited, which is itself a wholly-owned subsidiary of the Group.

D M Reid is a member of the Executive Committee of the Partnership and is also a director of the Company. The Executive Committee has discretion to approve any films proposed for production by Ingenious Media Investments Limited.

The investment made by the Company in the Partnership is detailed in notes 5 and 14.

At the period end the amount due to the Partnership was £4k (amount due from the Partnership year ended 5 April 2014: £77k).

11. Statement of movements on Profit and Loss Account

| | 30 June 2015 £ '000s | 5 April 2014 £ '000s |
|--------------------------------------|----------------------------|----------------------------|
| Balance brought forward | 42 | (7) |
| Profit for the financial period/year | 13 | 49 |
| Balance carried forward | 55 | 42 |

12. Reconciliation of movements in shareholder's funds

| | 30 June 2015 £ '000s | 5 April 2014 £ '000s |
|---|----------------------------|----------------------------|
| Profit for the financial period/year | 13 | 49 |
| Net movement in shareholder's funds | 13 | 49 |
| Shareholder's funds/deficit brought forward | 42 | (7) |
| Shareholder's funds carried forward | 55 | 42 |

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
30 JUNE 2015

13. 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.

14. Additional information on Partnership undertaking

During the period the Company had an interest in the Partnership:

| | Activity | Class | % |
|-------------------------------|--------------------------|--------|----|
| Big Screen Productions 14 LLP | Film Production Business | Member | 84 |

The interest in the Partnership was purchased during a prior period for £12.5m by the Company. Under the terms of the Members' Agreement for the Partnership, the Company is entitled to draw 100% of all Partnership income until such time as drawings equal 7.61% of the cumulative aggregate capital contributions made. Thereafter, the Company is entitled to 62.5% of cash drawings from the Partnership. Profits and losses of the Partnership are allocated in accordance with the Members' Agreement.

The Partnership's operating profit for the year ended 30 June 2014 was £0.5m (year ended 30 June 2013 a loss of: £0.2m) resulting in a net asset position of £0.1m (year ended 30 June 2013: £0.4m) at that date.