

PRENTON PRODUCTIONS PLC

(NOW PRENTON PRODUCTIONS LIMITED)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2015

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Company Registration Number: 7543188 (England and Wales)

ANNUAL REPORT AND FINANCIAL STATEMENTS

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PRENTON PRODUCTIONS PLC

THE COMPANY AND ITS ADVISERS

Directors	N A Forster H J C Eastwood J L Boyton
Company Secretary	S J Cruickshank
Registered Office	15 Golden Square London W1F 9JG
Company Number	7543188 (England and Wales)
Auditor	Shipleys LLP Chartered Accountants and Statutory Auditor 10 Orange Street Haymarket London WC2H 7DQ
Registrar	SLC Registrars 42-50 Hersham Road Walton-on-Thames Surrey KT12 1RZ

STRATEGIC REPORT
5 APRIL 2015

The directors present the Annual Report and Financial Statements of Prenton Productions plc ("the Company") for the year ended 5 April 2015.

Principal activities and financial key performance indicators

The Company was formed to produce and exploit high quality television programmes with ongoing potential for commercial exploitation across all media.

In assessing which programmes to produce, the Company endeavours to work with the most successful broadcasters and sales agents, and engage the highest quality co-producers or production services companies and personnel to carry out its production activities.

See page 8 for details of the results for the year. The directors will continue to monitor the trading activities undertaken by the Company.

To date, the Company has raised capital of £2.0 million and has engaged in £2.1 million of television production expenditure.

To date, the Company has committed to produce two programmes. The total budget in relation to the committed programmes were £1.1 million and £1.0 million respectively (year ended 5 April 2014: £2.1 million). The distributors acting on behalf of the Company have pre-sold the rights to the programmes. The Company has engaged distributors to sell the programme internationally on its behalf and expects to generate further revenue in the forthcoming year. Both programmes were delivered in the prior year.

Future prospects

The Company is in a net asset position and has sufficient liquidity to meet current capital distribution obligations. It is the intention of the directors to wind up the Company, subject to a strike-off application to Companies House. As a result, the directors have not adopted the going concern basis in preparing the Annual Report and Financial Statements. Information relating to the re-registration of the Company and capital reduction after the year end date is detailed in note 12.

PRENTON PRODUCTIONS PLC

STRATEGIC REPORT (CONTINUED)

5 APRIL 2014

Principal risks and uncertainties

The key financial risks the Company's activities expose it to are credit risk and cash flow risk.

Credit risk

Credit risk is mitigated by the Company's credit control policies and production greenlighting procedure. In assessing which programmes to produce, the Company is advised by media specialist, Ingenious Media Services Limited. The Company endeavours to work with the most successful co-producers, distributors and broadcasters, and to work with and engage the highest quality personnel to carry out its production activities. The Company continues to monitor the exploitation of programmes in international markets and anticipates further income from those sources.

Cash flow risk

The Company's activities expose it to the financial risks of changes in foreign currency exchange rates. The Company uses foreign exchange forward contracts to hedge these exposures. The Company does not use financial instruments for speculative purposes.

This report was approved and signed by order of the board of directors on *22 September 2015* by:



H J C Eastwood

Director

Registered office:

15 Golden Square

London, W1F 9JG

Company Registration Number: 7543188 (England and Wales)

**DIRECTORS' REPORT
5 APRIL 2015**

Dividends

No interim dividends were paid during the year (year ended 5 April 2014: £nil). The directors do not propose to recommend the payment of a final dividend (year ended 5 April 2014: £nil).

Payment of suppliers

The Company agrees payment terms as part of the commercial arrangements negotiated with suppliers. Payments are made on these terms provided the supplier meets its obligations.

The Company settles amounts due to trade creditors on receipt of purchase invoices and any delay in payment is assessed to be negligible.

Financial instruments and risk management

Information on the use of financial instruments by the company and details of the company's financial risk management objectives and policies are included in Note 1 to the financial statements.

Directors

The directors who served throughout the year, and subsequently, were as follows:

J L Boyton
H J C Eastwood
N A Forster

Strategic report

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, various matters previously dealt with in the Directors' Report are now included in the Strategic Report.

PRENTON PRODUCTIONS PLC

DIRECTORS' REPORT (CONTINUED)

5 APRIL 2015

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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). 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 year. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 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.

In so far as the directors are 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.

Auditor

Shipleys LLP have indicated their willingness to remain in office and in accordance with section 489 of the Companies Act 2006, a resolution proposing that they be reappointed will be put to the next Annual General Meeting.

This report was approved and signed by order of the board of directors on *22 September 2015* by:



H J C Eastwood

Director

Registered office:

15 Golden Square

London, W1F 9JG

Company Registration Number: 7543188 (England and Wales)

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PRENTON PRODUCTIONS PLC

We have audited the financial statements of Prenton Productions plc for the year ended 5 April 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Notes to the Cash Flow Statement and the related notes 1 to 13. 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 shareholders, 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 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 auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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 (APB'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 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 5 April 2015 and of its profit 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 requirement of the Companies Act 2006.

PRENTON PRODUCTIONS PLC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PRENTON PRODUCTIONS PLC (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

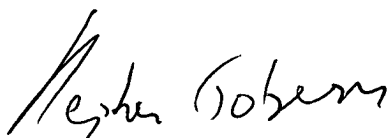
Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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.



Stephen Joberns (Senior Statutory Auditor)

for and on behalf of Shipleys LLP (Chartered Accountants and Statutory Auditor)
10 Orange Street, Haymarket, London, WC2H 7DQ

Date: 23/09/2015

PRENTON PRODUCTIONS PLC

PROFIT AND LOSS ACCOUNT
YEAR ENDED 5 APRIL 2015

		Year ended 5 April 2015 £	Year ended 5 April 2014 £
	Notes		
Turnover		12,991	978,890
Cost of sales		<u>47</u>	<u>(1,029,967)</u>
Gross profit/(loss)		13,038	(51,077)
Administrative expenses		<u>(14,395)</u>	<u>(18,372)</u>
Operating loss	2	(1,357)	(69,449)
Interest receivable and similar income	3	5,735	3,475
Profit/(loss) on ordinary activities before taxation		4,378	(65,974)
Taxation	4	<u>(876)</u>	<u>670</u>
Profit/(loss) for the financial year	10	3,502	(65,304)

All of the Company's activities relate to continuing operations during the current year and prior year.

There are no recognised gains and losses other than those shown above and therefore no separate Statement of Total Recognised Gains and Losses has been presented.

The notes on pages 12 to 17 form an integral part of the financial statements.

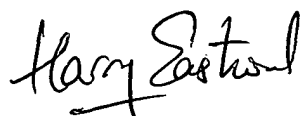
PRENTON PRODUCTIONS PLC

BALANCE SHEET AS AT 5 APRIL 2015

		5 April 2015	5 April 2014
	Notes	£	£
Current assets			
Debtors	6	39,539	600,690
Cash at bank		<u>1,859,366</u>	<u>1,297,418</u>
		1,898,905	1,898,108
Creditors: amounts falling due within one year	7	<u>(17,095)</u>	<u>(19,800)</u>
Net current assets		<u>1,881,810</u>	<u>1,878,308</u>
Net assets		<u>1,881,810</u>	<u>1,878,308</u>
Capital and reserves			
Called up equity share capital	8	2,000,002	2,000,002
Profit and Loss Account	9	<u>(118,192)</u>	<u>(121,694)</u>
Shareholders' funds	10	<u>1,881,810</u>	<u>1,878,308</u>

The notes on pages 12 to 17 form an integral part of the financial statements.

The financial statements were approved by the board of directors and authorised for issue on 22/09/15, and are signed on their behalf by:



H J C Eastwood
Director

Company Registration Number: 7543188 (England and Wales)

PRENTON PRODUCTIONS PLC

**CASH FLOW STATEMENT
YEAR ENDED 5 APRIL 2015**

		5 April 2015	5 April 2014
	Notes	£	£
Cash inflow from operating activities	A	557,089	569,438
Taxation	B	(876)	670
Returns on investment and servicing of finance	C	5,735	3,475
Net cash inflow before management of liquid resources and financing		561,948	573,583
Increase in cash in the year	E	561,948	573,583

The notes on pages 12 to 17 form an integral part of the financial statements.

PRENTON PRODUCTIONS PLC

NOTES TO THE CASH FLOW STATEMENT YEAR ENDED 5 APRIL 2015

A. Reconciliation of operating loss to net cash outflow from operating activities	5 April 2015	5 April 2014	
	£	£	
Operating loss	(1,357)	(69,449)	
Decrease in stock	-	1,018,568	
Decrease in debtors	561,151	955,311	
Decrease in creditors	(2,705)	(1,334,992)	
Net cash inflow from operating activities	557,089	569,438	
B. Taxation	5 April 2015	5 April 2014	
	£	£	
Corporation tax (expense)/credit	(876)	670	
C. Returns on investment and servicing of finance	5 April 2015	5 April 2014	
	£	£	
Interest received	5,735	3,475	
D. Analysis of changes in net funds	At 6 April 2014	Cash flow	At 5 April 2015
	£	£	£
Cash at bank	1,297,418	561,948	1,859,366
E. Reconciliation of net cash flow to movement in net funds	5 April 2015	5 April 2014	
	£	£	
Increase in cash in the year	561,948	573,583	
Net funds at start of the year	1,297,418	723,835	
Net funds at end of the year	1,859,366	1,297,418	

The notes on pages 12 to 17 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
5 APRIL 2015

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards. It is the intention of the directors to wind up the company, subject to a strike off application to Companies House, therefore the financial statements have been prepared under the 'break-up' basis. The significant accounting policies adopted are summarised below. These policies have been consistently applied in the year.

Turnover

Turnover derives from one class of business, the production and exploitation of television programmes, and is stated net of Value Added Tax. Turnover is entirely derived from the activities in the United Kingdom. Turnover is recognised at the fair value of the right to consideration and is not recognised until there is certainty over the right to consideration. Turnover which has been recognised but not invoiced by the Balance Sheet date is included in accrued income. Amounts invoiced in advance are included in deferred income.

Cost of sales

Cost of sales represents direct costs attributable to turnover.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred taxation is provided in full on timing differences that 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 years different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Financial instruments

The Company's principal financial instruments are its cash at bank and receivables. The main purpose of the cash at bank and receivables are to provide funding for the Company's operations and to ensure the Company can meet its liabilities as they fall due.

Due to the nature of the financial instruments used by the Company, there is no exposure to price risk. Credit risk of receivables is closely monitored.

The Company makes use of money market facilities when appropriate.

PRENTON PRODUCTIONS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 APRIL 2015

1. Accounting policies (continued)

Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the Balance Sheet date, with the exception of certain balances which are translated into sterling at the rate of exchange in forward and spot rate contracts. These contracts are in place in order to mitigate the risk of exchange rate fluctuations. Exchange differences are taken to the Profit and Loss Account.

PRENTON PRODUCTIONS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 APRIL 2014

2. Operating loss

	Year ended 5 April 2015 £	Year ended 5 April 2014 £
The operating loss is stated after charging:		
Auditor's remuneration for audit services	1,800	1,800
Foreign exchange (gain)/loss	(47)	1,032
	<u>1,753</u>	<u>2,832</u>

3. Interest receivable and similar income

	Year ended 5 April 2015 £	Year ended 5 April 2014 £
Bank interest	5,735	3,475

4. Taxation

	Year ended 5 April 2015 £	Year ended 5 April 2014 £
UK corporation tax at 20% for the year ended 5 April 2015 (20% for the year ended 5 April 2014) based on the adjusted results for the year	876	-
Adjustment in respect of prior year	-	(670)
Current tax charge/(credit)	876	(670)

	Year ended 5 April 2015 £	Year ended 5 April 2014 £
Factors affecting the tax charge for the year:		
Profit/(loss) on ordinary activities before taxation	4,378	(65,974)
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax of 20% for the year ended 5 April 2015 (20% for the year ended 5 April 2014)	876	(13,195)
Effects of:		
Tax losses not utilised	-	12,525
Losses carried back	-	670
Adjustment in respect of prior year	-	(670)
Current tax charge/(credit)	876	(670)

A potential deferred tax asset of £12,525 (year ended 5 April 2014: £12,525) in respect of tax losses carried forward has not been recognised due to uncertainty over the availability of taxable profits in future chargeable accounting periods.

PRENTON PRODUCTIONS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 APRIL 2015

5. Directors and employees

The Company did not have any employees during the year (year ended 5 April 2014: nil). The directors did not receive any remuneration for their services during the year (year ended 5 April 2014: £nil).

6. Debtors

	5 April 2015 £	5 April 2014 £
Trade debtors	444	27,139
Other debtors	39,095	65,556
Corporation tax	-	670
Accrued income	-	507,325
	39,539	600,690

7. Creditors: amounts falling due within one year

	5 April 2015 £	5 April 2014 £
Trade creditors	15,090	18,000
Corporation tax	205	-
Accruals	1,800	1,800
	17,095	19,800

8. Share capital

	Allotted, called up and fully paid			
	5 April 2015		5 April 2014	
	£	No.	£	No.
Ordinary shares of £1 each issued at par	2,000,002	2,000,002	2,000,002	2,000,002

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
5 APRIL 2015

9. Statement of movements on Profit and Loss Account

	5 April 2015 £	5 April 2014 £
Balance brought forward	(121,694)	(56,390)
Profit/(loss) for the financial year	<u>3,502</u>	<u>(65,304)</u>
Balance carried forward	(118,192)	(121,694)

10. Reconciliation of movements in shareholders' funds

	5 April 2015 £	5 April 2014 £
Equity shareholders' funds		
Profit/(loss) for the financial year	<u>3,502</u>	<u>(65,304)</u>
Net movement in equity shareholders' funds	3,502	(65,304)
Opening shareholders' funds	<u>1,878,308</u>	<u>1,943,612</u>
Closing equity shareholders' funds	1,881,810	1,878,308

PRENTON PRODUCTIONS PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 APRIL 2015

11. Related party transactions

Ingenious Media Investments Limited and Ingenious Media Services Limited are wholly-owned subsidiaries of Ingenious Media Limited, a company registered in England and Wales. Ingenious Media Limited is a wholly-owned subsidiary of Ingenious Media Holdings Plc. Ingenious Capital Management Limited is a wholly-owned subsidiary of Ingenious Capital Management Holdings Limited, a company registered in England and Wales.

During the year, J L Boyton and N A Forster were also directors of Ingenious Media Investments Limited, Ingenious Media Services Limited, Ingenious Media Limited, Ingenious Media Holdings plc, Ingenious Capital Management Limited and Ingenious Capital Management Holdings Limited.

Ingenious Capital Management Limited administers the Company under a distribution and administration agreement (year ended 5 April 2014: Ingenious Media Investments Limited) and provides media and production services to the Company (year ended 5 April 2014: Ingenious Media Services Limited).

During the year, Ingenious Capital Management Limited charged fees to the Company of £12,575. At the year end the outstanding balance was £15,090 including VAT.

During the prior year, Ingenious Media Services Limited charged fees to the Company of £10,000. As at 5 April 2014, the outstanding balance was £12,000 including VAT.

During the prior year, Ingenious Media Investments Limited charged fees to the Company of £5,000. As at 5 April 2014, the outstanding balance was £6,000 including VAT.

12. Post Balance Sheet Event

On 7 May 2015, the Company re-registered as a private limited company under section 97 of the Companies Act 2006 with the name Prenton Productions Limited. On 12 May 2015, the Company reduced its capital by 99% rounded to the nearest whole Ordinary Share of £1 (the Capital Reduction). Following the registration of the Capital Reduction, the sum of 93.2 pence per cancelled Ordinary Share of £1 was paid to the registered shareholders of the Company.

13. Controlling party

During the year ended 5 April 2015 there was no direct or ultimate controlling party.