

**Lansdowne Film Development Limited**

Company Registration Number 7279675

Unaudited Financial Statements

30th June 2011



**Financial statements for the year ended 30 June 2011**

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**The Board of Directors**

BDW Thompson  
AJ Spring  
OCS Services Limited

**Secretary and registered office**

SJ George, Ealing Studios, Ealing Green, Ealing, London, W5 5EP

**Report of the directors for the year ended 30 June 2011**

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The directors present their first report and unaudited financial statements for the year ended 30th June 2011

**Principal activities, results and dividends**

The company was incorporated on 10th June 2010 and commenced trading on 15th December 2010

The company successfully completed a £999,920 fund raise in accordance with EIS rules on 30th March 2011

The principal activity of the company is that of motion picture script development

The profit and loss account is set out on page 7 and shows the result for the year

The loss for the year amounted to £991,955. The directors expect the company to become profitable in future years as the films developed are produced. The directors have not recommended a dividend.

**Directors**

The directors who served the company during the year were as follows

|                      |                        |
|----------------------|------------------------|
| BDW Thompson         | (Appointed 10/06/2010) |
| AJ Spring            | (Appointed 06/12/2011) |
| OCS Services Limited | (Appointed 07/12/2011) |

**Directors' responsibilities**

The directors are responsible for preparing the annual report and the 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- make judgements and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the

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.

Report of the directors for the year ended 30 June 2011 (continued)

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**Going Concern**

The directors have undertaken a rigorous assessment of whether the company was a going concern when the accounts were prepared, considering all available information about the future, covering a year of 12 months from the date of the approval of the accounts

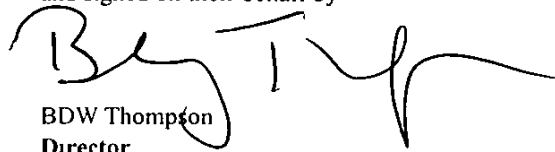
The directors are not aware of any material uncertainty arising from their assessment that would cast doubt on the company's ability to continue as a going concern. Having reviewed the financial and cash flow position of the company, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason the accounts are prepared on a going concern basis.

**Basis of Preparation**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Board and authorised for issue on  
and signed on their behalf by

9<sup>th</sup> MARCH 2012

  
BDW Thompson  
Director

**Profit and loss account for the year ended 30 June 2011**

|  | Note | 30-Jun-11<br>£ |
|--|------|----------------|
| <b>Turnover</b>                                    | 2    | -              |
| Cost of sales                                      |      | (856,660)      |
| <b>Gross loss</b>                                  |      | (856,660)      |
| Administrative expenses                            |      | (116,286)      |
| <b>Operating loss</b>                              | 3    | (972,946)      |
| Interest payable                                   |      | (19,010)       |
| <b>Loss on ordinary activities before taxation</b> |      | (991,955)      |
| Taxation   | 6    | -              |
| <b>Loss for the financial year</b>                 |      | (991,955)      |

All of the activities of the company are classed as continuing

All recognised gains and losses are included in the profit and loss account

The notes on pages 7 to 11 form part of these financial statements

## Balance sheet at 30 June 2011

|   | Note | 30-Jun-11<br>£ | 30-Jun-11<br>£ |
|---|------|----------------|----------------|
| <b>Current assets</b>                                 |      |                |                |
| Debtors   | 7    | 10,391         |                |
| Cash at bank and in hand                              |      | 4,362          |                |
|   |      | <hr/>          |                |
|   |      | 14,753         |                |
| <b>Creditors' amounts falling due within one year</b> | 8    | (6,788)        |                |
|   |      | <hr/>          |                |
| <b>Net current assets</b>                             |      |                | 7,966          |
|   |      |                | <hr/>          |
|   |      |                | 7,966          |
|   |      |                | <hr/>          |
| <b>Net Assets</b>                                     |      |                | 7,966          |
|   |      |                | <hr/>          |
| <b>Capital and reserves</b>                           |      |                |                |
| Called-up equity share capital                        | 10   |                | 999,921        |
| Profit and loss account                               | 12   |                | (991,955)      |
|   |      |                | <hr/>          |
| <b>Shareholders' funds</b>                            | 11   |                | 7,966          |
|   |      |                | <hr/>          |

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

For the year ending 30 June 2011 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006

The Directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

These financial statements were approved by the directors and authorised for issue on 9<sup>th</sup> March 2012, and are signed on their behalf by

BDW Thompson  
Director

The notes on pages 7 to 11 form part of these financial statements

## 1 Accounting policies

### *Basis of accounting*

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

### *Turnover*

Turnover relates to fees received from films going into production and is stated after trade discounts, other taxes and net of VAT. Turnover is recognised by reference to the commencement of principal photography of the film.

### *Foreign Currencies*

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

### *Financial instruments*

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as, either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of a company after deducting all of its liabilities.

### *Development costs*

Recoverability of development expenditure is dependent on developed films being produced. At the date of preparation of the accounts an assessment is made as to the production status of each project. Films in production or whose finance is agreed and will go into production are deferred and amortised on the balance sheet. Film development costs of films not committed to go into production are written off as cost of sales as incurred.

### *Comparatives*

The accounts cover the year from incorporation through to 30 June 2011, hence there are no comparative figures.

## Notes forming part of the financial statements for the year ended 30 June 2011 (Continued)

**2 Turnover**

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom

**3 Operating loss**

Year ended 30 June 2011

£

Operating loss is stated after charging

Directors Emoluments

-

**4 Particulars of employees**

The average number of employees (including directors) during the year was one

No salaries or wages have been paid to employees, including the directors, during the year

**5 Interest Payable**

Year ended 30 June 2011

£

Bank Charges

599

Other loans

18,411

19,010

## Notes forming part of the financial statements for the year ended 30 June 2011 (Continued)

**6 Taxation**

Year ended 30 June 2011  
£

|  |   |
|--|---|
| Taxation on (loss) / profit on ordinary activities | - |
|--|---|

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below

Year ended 30 June 2011  
£

|   |           |
|---|-----------|
| (Loss) / profit on ordinary activities before tax   | (991,955) |
| (Loss) / profit on ordinary activities at the standard rate of corporation tax in the UK of 26% | (257,908) |
| Expenses not deductible for tax purposes  | -         |
| Capital allowances for year in excess of depreciation   | -         |
| Short term timing differences   | -         |
| Difference in accounting and tax treatment of profit on disposal                                | -         |
| Unutilised trading losses   | 257,908   |
| Variance to small companies rate  | -         |
| Current tax charge for year   | -         |

## Notes forming part of the financial statements for the year ended 30 June 2011 (Continued)

**7 Debtors**

|                            | 30-Jun-11<br>£ |
|----------------------------|----------------|
| Taxation & Social Security | 3,900          |
| Other debtors              | 6,491          |
|                            | <u>10,391</u>  |

All amounts shown under debtors fall due for payment within one year

**8 Creditors – amounts falling due within one year**

|                 | 30-Jun-11<br>£ |
|-----------------|----------------|
| Trade creditors | 6,788          |
|                 | <u>6,788</u>   |

**9 Related Party transactions**

No related party transactions took place

In the opinion of the directors the company had no controlling party during the year

**10 Share capital**

|                            | Allotted, called up and fully paid<br>30-Jun-11<br>£ | 30-Jun-11<br>Number |
|----------------------------|--|---------------------|
| Ordinary shares of £1 each | 999,921  | 999,921             |
|                            | <u>999,921</u>                                       | <u>999,921</u>      |

On 10th June 2010 1 ordinary share of £1.00 each was allotted, called up and fully paid

On 30th March 2011 999,920 ordinary shares of £1.00 each were called up allotted, called up and fully paid

**11 Reconciliation of movement in shareholders' funds**

|                                   | Year ended 30 June 2011<br>£ |
|-----------------------------------|------------------------------|
| Loss for the year                 | (991,955)                    |
| Share Capital issued              | 999,921                      |
|                                   | <u>7,966</u>                 |
| Opening shareholders funds        | <u>-</u>                     |
| Net addition to shareholder funds | <u>7,966</u>                 |
| Closing shareholders funds        | <u><u>7,966</u></u>          |

**12 Reserves**

|                   | Profit<br>and loss<br>account<br>£ |
|-------------------|------------------------------------|
| Loss for the year | (991,955)                          |
| At 30 June 2011   | <u><u>(991,955)</u></u>            |

The pages which follow do not  
form part of the statutory  
financial statements of the company

## Detailed profit and loss account for the year ended 30 June 2011

|   | Year ended 30 June 2011 |           |
|---|-------------------------|-----------|
|   | £                       | £         |
| <b>Turnover</b>                                     |                         | -         |
|   |                         | <hr/>     |
|   |                         | -         |
| <b>Cost of sales</b>                                |                         | (856,660) |
|   |                         | <hr/>     |
| <b>Gross loss</b>                                   |                         | (856,660) |
| <b>Administrative expenses</b>                      |                         | (116,286) |
| <b>Other operating costs</b>                        |                         | -         |
|   |                         | <hr/>     |
| <b>Operating loss</b>                               |                         | (972,946) |
| <b>Profit on disposal of fixed asset</b>            |                         | -         |
| <b>Other interest receivable and similar income</b> |                         | -         |
| <b>Interest payable</b>                             |                         |           |
| Loan interest payable                               | (18,411)                |           |
| Bank charges  | (599)                   |           |
|   | <hr/>                   |           |
|   |                         | (19,010)  |
|   |                         | <hr/>     |
| <b>(Loss) / profit before taxation</b>              |                         | (991,955) |
|   |                         | <hr/>     |

## Schedules for the year ended 30 June 2011

Year ended 30 June 2011

£

**Cost of sales**

|             |         |
|-------------|---------|
| Development | 856,660 |
|-------------|---------|

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|  |         |
|--|---------|
|  | 856,660 |
|--|---------|

**Administrative Expenses**

|                             |         |
|-----------------------------|---------|
| Legal and professional fees | 116,286 |
|-----------------------------|---------|

|              |   |
|--------------|---|
| Bank Charges | - |
|--------------|---|

|                  |   |
|------------------|---|
| Accountancy fees | - |
|------------------|---|

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|  |         |
|--|---------|
|  | 116,286 |
|--|---------|