

COMPANY REGISTRATION NUMBER OC306643

**HARWOOD FILM PARTNERSHIP LLP**  
**FINANCIAL STATEMENTS**  
**PERIOD ENDED 5 APRIL 2006**



# HARWOOD FILM PARTNERSHIP LLP

## FINANCIAL STATEMENTS

PERIOD ENDED 5 APRIL 2006

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# **HARWOOD FILM PARTNERSHIP LLP**

## **DESIGNATED MEMBERS AND PROFESSIONAL ADVISERS**

**PERIOD ENDED 5 APRIL 2006**

**Designated members**

Scotts Nominees Limited  
Scotts Secretarial Services Limited

**Registered office**

C/O Bird & Bird  
90 Fetter Lane  
London  
EC4A 1JP

**Auditors**

Malde & Co  
99 Kenton Road  
Kenton, Harrow  
Middlesex  
HA3 0AN

**Bankers**

Bank of Ireland  
20 Berkeley Square  
London  
W1J 6LL

# **HARWOOD FILM PARTNERSHIP LLP**

## **THE MEMBERS' REPORT**

### **PERIOD ENDED 5 APRIL 2006**

The members present their report and the financial statements for the period ended 5 April 2006.

### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the LLP is to acquire and exploit a portfolio of qualifying British Films (as defined in the Films Act 1985).

In the opinion of the members the state of the LLP's affairs at 5 April 2006 is satisfactory.

### **DESIGNATED MEMBERS**

The following were designated members during the period:

Scotts Nominees Limited  
Scotts Secretarial Services Limited

### **MEMBERS' INTERESTS**

#### **Allocation to Members**

Net income of the LLP shall be distributed to all Members pro rata and pari passu to their respective capital contributions.

#### **Subscription of Capital**

Each member has contributed to the capital of the LLP. Members may increase the amount of capital contribution if members so agree by members' consent. On retirement, the balance on a member's Capital Account is repaid.

The Designated members have not contributed, and shall not be required to contribute to the capital of the LLP.

### **MEMBERS' RESPONSIBILITIES**

The Limited Liability Partnerships ("LLP") Regulations 2001 made under the Limited Liability Partnerships Act 2000 require the members to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period.

In preparing those financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable 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 LLP will continue in business.

# HARWOOD FILM PARTNERSHIP LLP

## THE MEMBERS' REPORT

PERIOD ENDED 5 APRIL 2006

### MEMBERS' RESPONSIBILITIES *(Continued)*

The members are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Limited Liability Partnerships Regulations. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### AUDITORS

Malde & Co were appointed auditors during the period. A resolution to re-appoint Malde & Co as auditors for the ensuing year will be proposed at the annual general meeting.

### SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 as applied to Limited Liability Partnerships.

Registered office:  
C/O Bird & Bird  
90 Fetter Lane  
EC4A 1JP

Approved by the members  
and signed on their behalf by



For and on behalf of  
Scotts Nominees Limited  
Designated Member

Approved on  January 2007.

# **HARWOOD FILM PARTNERSHIP LLP**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARWOOD FILM PARTNERSHIP LLP**

We have audited the Limited Liability Partnership's financial statements for the period ended 5 April 2006 which comprise the Profit & Loss Account, the Balance Sheet, and related notes 1 to 10. These financial statements have been prepared on the basis of the accounting policies set out, there in.

This report is made solely to the members, as a body, in accordance with the Limited Liability Partnerships Regulations 2001 made under the Limited Liability Partnerships Act 2000. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditors' 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF MEMBERS AND AUDITORS**

As described in the Statement of Members' Responsibilities the members are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Limited Liability Partnerships Regulations 2001 made under the Limited Liability Partnerships Act 2000. We also report to you if, in our opinion, the LLP has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read the Members' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **BASIS OF AUDIT OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the LLP's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **OPINION**

In our opinion:

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the LLP's affairs as at 5<sup>th</sup> April 2006 and of its loss for the period then ended;

## HARWOOD FILM PARTNERSHIP LLP

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARWOOD FILM PARTNERSHIP LLP (*continued*)

the financial statements have been properly prepared in accordance with the Limited Liability Partnerships Regulations 2001; and

the information given in the Members' Report is consistent with the financial statements period ended 5th April 2006.



99 Kenton Road  
Kenton Harrow  
Middlesex  
HA3 0AN

MALDE & CO  
Chartered Certified Accountants  
& Registered Auditor

31... January 2007

# HARWOOD FILM PARTNERSHIP LLP

## PROFIT AND LOSS ACCOUNT

PERIOD ENDED 5 APRIL 2006

		<b>Period from 1st February 2005 to 5th April 2006</b>	<b>Period from 24th January 2004 to 31st January 2005</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>TURNOVER</b>	<b>2</b>	<b>34,998</b>	<b>-</b>
Administrative Expenses		(2,329,328)	-
<b>OPERATING LOSS</b>	<b>3</b>	<b>(2,294,330)</b>	<b>-</b>
Interest Receivable		5,095	-
<b>LOSS FOR THE PERIOD BEFORE MEMBERS' REMUNERATION AND LOSS SHARE</b>		<b>(2,289,235)</b>	<b>-</b>

# HARWOOD FILM PARTNERSHIP LLP

## BALANCE SHEET

AS AT 5 APRIL 2006

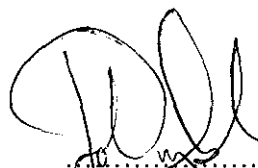
	Note	2006 £	31 January 2005 £
<b>CURRENT ASSETS</b>			
Investment in finance leases:			
Maturing within one year	4	241,984	-
Maturing after one year	4	10,541,644	-
		<u>10,783,628</u>	-
Debtors	5	2,841,456	2
Cash at bank		132,267	-
		<u>13,757,351</u>	2
<b>CREDITORS: Amounts falling due within one year</b>			
	6	(627,890)	2
<b>NET CURRENT ASSETS</b>		<u>13,129,461</u>	-
<b>MEMBERS' OTHER INTERESTS</b>			
Members' capital	8	<u>13,129,461</u>	-
<b>TOTAL MEMBERS' INTERESTS</b>			
Amounts due to members	8	180	2
Amounts due from members	8	(2,338,938)	(2)
Members' other interests	8	<u>13,129,461</u>	-
		<u>10,790,703</u>	-

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001 relating to small LLPs and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

These financial statements were approved by the members on 30 January 2007 and are signed on their behalf by:



For and on Behalf of  
Scotts Nominees Limited  
Designated Member



For and on Behalf of  
Scotts Secretarial Services Limited  
Designated Member

# HARWOOD FILM PARTNERSHIP LLP

## NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 5 APRIL 2006

### 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 January 2005) and the requirement of the Statement of Recommended Practice "Accounting for Limited Liability Partnerships".

#### Finance leases

The LLP acts as a lessor. Under these leases, the LLP retains legal title to the assets but passes substantially all of the risks and rewards of ownership to the lessee, in return for a rental stream.

The capital element of all future rental payments is recorded in the balance sheet as a debtor at the amount of net investment in the lease less provision for any items such as bad and doubtful rentals receivable.

Rentals received are apportioned between finance income, which are credited to the Profit and Loss Account, and the capital element, which reduces the debtor.

#### Taxation

Taxation on all partnership profits is solely the personal liability of the individual members. Consequently neither taxation nor related deferred taxation arising in the partnership has been accounted for in these financial statements.

### 2. TURNOVER

Turnover represents finance income element of the rental stream, excluding VAT, allocated annually to give a constant periodic rate of return on the LLPs' net cash investment in the lease in each financial year.

### 3. OPERATING LOSS

This is stated after charging:

	Period from 1st February 2005 to 5th April 2006	Period from 24th January 2004 to 31st January 2005
	£	£
Auditors' remuneration	-	-

# HARWOOD FILM PARTNERSHIP LLP

## NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 5 APRIL 2006

### 4. INVESTMENT IN FINANCE LEASES

	Period to 5th April 2006	Period to 31st January 2005
Minimum lease receivables due in year ending 5 April:	£	£
Within one year	732,639	-
Two to five years	3,315,655	-
In more than five years	11,661,653	-
Total minimum future rentals	15,709,947	-
Finance charges allocated to future periods	(4,926,319)	-
	<u>10,783,628</u>	<u>-</u>

The cost of assets acquired during the period for the purpose of leasing under finance leases amounted to £10,798,332 (2005: NIL).

	Period to 5th April 2006	Period to 31st January 2005
The minimum lease receivables maturing within one year are as follows:	£	£
Gross receivables	732,639	-
Finance charges	(490,655)	-
	<u>241,984</u>	<u>-</u>

### 5. DEBTORS

	Period to 5th April 2006	Period to 31st January 2005
	£	£
Trade debtors	502,518	-
Amounts due from members	2,338,938	2
	<u>2,841,456</u>	<u>2</u>

# HARWOOD FILM PARTNERSHIP LLP

## NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 5 APRIL 2006

### 6. CREDITORS

	Period to 5th April 2006	Period to 31st January 2005
	£	£
Trade creditors	167,058	-
VAT	460,652	-
Amounts due to members	180	2
	<u>627,890</u>	<u>2</u>

### 7. RELATED PARTY TRANSACTIONS

There were no other transactions with related parties other than the members. Movement on their capital and other reserves are set out in the reconciliation of members' interests.

### 8. RECONCILIATION OF MEMBERS' INTERESTS

	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors	Total
	Members' Capital	Other reserves	Total		
	£	£	£	£	£
Amounts due to members	-	-	-	2	-
Amounts due from members	-	-	-	(2)	-
Balance at 31 January 2005	-	-	-	-	-
Members' remuneration charged as an expense	-	-	-	(2,289,235)	(2,289,235)
Profit/(loss) for the financial period available for discretionary division among members	-	-	-	-	-
Members' interests after loss for the period	-	-	-	(2,289,235)	(2,289,235)
Other divisions of profits/losses	-	-	-	-	-
Introduced by members	13,129,461	-	13,129,461	180	13,129,641
Repayment of capital	-	-	-	-	-
Repayment of debt (including members' capital classified as a liability)	-	-	-	-	-
Drawings	-	-	-	(49,703)	(49,703)
Other movements	-	-	-	-	-
Amounts due to members	-	-	-	180	-
Amounts due from members	-	-	-	(2,338,938)	-
Balance at 5 April 2006	13,129,461	-	13,129,461	(2,338,758)	10,790,703

# **HARWOOD FILM PARTNERSHIP LLP**

## **NOTES TO THE FINANCIAL STATEMENTS**

**PERIOD ENDED 5 APRIL 2006**

### **9. CONTINGENT LIABILITIES**

The LLP entered into a deed of assignment and charge over its assets during the period with the Bank of Ireland.

### **10. ULTIMATE CONTROLLING PARTY**

In the opinion of the designated members, there is no ultimate controlling party.