

**LLP REGISTRATION NUMBER OC306643**

**HARWOOD FILM PARTNERSHIP LLP**  
**FINANCIAL STATEMENTS**  
**5 APRIL 2007**

**TUESDAY**



**\*AKKP7WRX\***

**A12**

**29/01/2008**

**139**

**COMPANIES HOUSE**

**HARWOOD FILM PARTNERSHIP LLP**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 5 APRIL 2007**

---

<b>CONTENTS</b>	<b>PAGE</b>
Designated members and advisors	<b>1</b>
The members' report	<b>2</b>
Independent auditor's report to the members	<b>4</b>
Profit and loss account	<b>6</b>
Balance sheet	<b>7</b>
Notes to the financial statements	<b>8</b>
<b>The following pages do not form part of the financial statements</b>	
Detailed profit and loss account	<b>12</b>
Notes to the detailed profit and loss account	<b>13</b>
Members' capital accounts	<b>14</b>

---

**HARWOOD FILM PARTNERSHIP LLP**  
**DESIGNATED MEMBERS AND ADVISORS**

---

<b>Designated members</b>	Scotts Secretarial Services Limited Scotts Nominees Limited
<b>Registered office</b>	c/o Bird & Bird 15 Fetter Lane London EC4A 1JP
<b>Auditor</b>	FourM Chartered Accountants & Registered Auditors Stannergate House 41 Dundee Road West Broughty Ferry Dundee DD5 1NB
<b>Bankers</b>	Bank of Ireland 20 Berkeley Square London W1J 6LL
<b>Solicitors</b>	Bird & Bird 15 Fetter Lane London EC4A 1JP

# **HARWOOD FILM PARTNERSHIP LLP**

## **THE REPORT OF THE MEMBERS**

**YEAR ENDED 5 APRIL 2007**

---

The members present their report and the financial statements of the LLP for the year ended 5 April 2007

### **PRINCIPAL ACTIVITIES**

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 2007 is satisfactory

### **DESIGNATED MEMBERS**

The following were Designated Members during the year

Scotts Secretarial Services Limited

Scotts Nominees 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 year, 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 judgements 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

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.

# **HARWOOD FILM PARTNERSHIP LLP**

## **THE REPORT OF THE MEMBERS**

**YEAR ENDED 5 APRIL 2007**

---

### **AUDITORS**

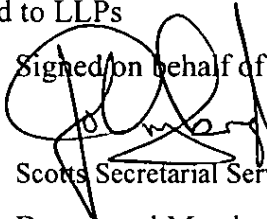
Malde & Co resigned during the year and FourM were appointed as auditors. A resolution to reappoint FourM as auditors will be put to the members at the Annual General Meeting.

### **SMALL COMPANY PROVISIONS**

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

Registered office  
15 Fetter Lane  
London  
EC4A 1JP

Signed on behalf of the members

  
Scotts Secretarial Services Limited

Designated Member

Approved by the members on 23 January 2008

**HARWOOD FILM PARTNERSHIP LLP**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**HARWOOD FILM PARTNERSHIP LLP**  
**YEAR ENDED 5 APRIL 2007**

---

We have audited the financial statements of Harwood Film Partnership LLP for the year ended 5 April 2007 on pages 6 to 10, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and on the basis of the accounting policies set out on page 8.

This report is made solely to the LLP's 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 LLP'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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF MEMBERS AND AUDITOR**

The members' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Members' Responsibilities.

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 Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001 made under the Limited Liability Partnership Act 2000. We also report to you whether, in our opinion, the information given in the Members' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the LLP has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding members' remuneration and other transactions is not disclosed.

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 members 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.

**HARWOOD FILM PARTNERSHIP LLP**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**HARWOOD FILM PARTNERSHIP LLP**

**YEAR ENDED 5 APRIL 2007**

---

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 April 2007 and of its profit for the year then ended,

the financial statements have been properly prepared in accordance with the Limited Liability Partnerships Regulations 2001 made under the Limited Liability Partnerships Act 2000; and

the information given in the Members' Report is consistent with the financial statements

*Fourm*

FOURM  
Chartered Accountants  
& Registered Auditors

Stannergate House  
41 Dundee Road West  
Broughty Ferry  
Dundee DD5 1NB

23 January 2008

# **HARWOOD FILM PARTNERSHIP LLP**

## **PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 5 APRIL 2007**

---

		<b>2007</b>	<b>2006</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>TURNOVER</b>	<b>2</b>	490,655	34,998
Administrative expenses		2,658	2,329,328
<b>OPERATING PROFIT/(LOSS)</b>	<b>4</b>	487,997	(2,294,330)
Interest receivable		2,489	5,095
<b>PROFIT FOR THE FINANCIAL YEAR</b>			
<b>AVAILABLE FOR DIVISION AMONG MEMBERS</b>		490,486	(2,289,235)

---

# HARWOOD FILM PARTNERSHIP LLP

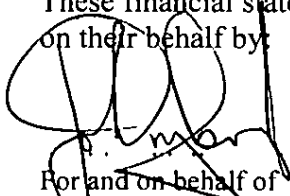
## BALANCE SHEET

5 APRIL 2007

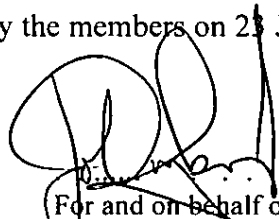
	Note	2007 £	2006 £
<b>CURRENT ASSETS</b>			
Investments in finance leases			
Maturing within one year	5	289,626	241,984
Maturing after one year	5	10,252,017	10,541,644
		10,541,643	10,783,628
Debtors	6	2,581,529	2,841,456
Cash at bank		6,469	132,267
		13,129,641	13,757,351
<b>CREDITORS: Amounts falling due within one year</b>	7	180	627,890
<b>NET CURRENT ASSETS</b>		13,129,461	13,129,461
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		13,129,461	13,129,461
<b>MEMBERS' OTHER INTERESTS</b>			
Members' capital	11	13,129,461	13,129,461
<b>TOTAL MEMBERS' INTERESTS</b>			
Members' other interests	11	13,129,461	13,129,461
Amounts due to members	11	180	180
Amounts due from members	11	(2,581,091)	(2,338,938)
		10,548,550	10,790,703

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 23 January 2008 and are signed on their behalf by:



For and on behalf of  
Scotts Secretarial Services Limited  
Designated Member



For and on behalf of  
Scotts Nominees Limited  
Designated Member

# **HARWOOD FILM PARTNERSHIP LLP**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 5 APRIL 2007**

---

### **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 requirements 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 is 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 the finance income element of the rental stream, excluding VAT, allocated annually to give a constant periodic rate of return on the LLP's net cash investment in the lease in each financial year.

### **3. PARTICULARS OF MEMBERS**

The average number of members during the period was 30, plus 2 designated members. No members received remuneration. The largest profit share attributable to a member for the period was £97,671.

### **4. OPERATING PROFIT/(LOSS)**

Operating profit/(loss) is stated after charging

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Auditor's fees	<b>2,000</b>	<b>2,000</b>

Future costs relating to the audit of the financial statements are to be borne by Scotts Film Management Limited, as per the film management services agreement.

**HARWOOD FILM PARTNERSHIP LLP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 5 APRIL 2007**

**5. INVESTMENTS IN FINANCE LEASES**

Minimum lease receivables due in year ending 5 April

	2007	2006
	£	£
Within one year	769,271	732,639
In two to five years	3,481,438	3,315,655
In more than five years	<u>10,726,599</u>	<u>11,661,653</u>
Total minimum future rentals	14,977,308	15,709,947
Finance charges allocated to future periods	<u>(4,435,665)</u>	<u>(4,926,319)</u>
	<u>10,541,643</u>	<u>10,783,628</u>

The minimum lease receivables maturing within one year are as follows

	2007	2006
	£	£
Gross receivables	769,271	732,639
Finance charges	<u>(479,645)</u>	<u>(490,655)</u>
	<u>289,626</u>	<u>241,984</u>

The original cost of assets leased out by the LLP amounted to £10,798,332

**6. DEBTORS**

	2007	2006
	£	£
VAT	438	502,518
Amounts due from members	<u>2,581,091</u>	<u>2,338,938</u>
	<u>2,581,529</u>	<u>2,841,456</u>

**7. CREDITORS**

	2007	2006
	£	£
Trade Creditors	-	167,058
VAT	-	460,652
Amounts due to members	<u>180</u>	<u>180</u>
	<u>180</u>	<u>627,890</u>

**8. RELATED PARTY TRANSACTIONS**

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

**HARWOOD FILM PARTNERSHIP LLP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 5 APRIL 2007**

**9. CONTINGENT LIABILITIES**

The performance, observance and discharge by the LLP of each of its obligations, under distribution agreements is secured via a charge over the Distribution Rights in the productions acquired and exploited by the LLP

The LLP has entered into deeds of assignment and charges over assets with the Bank of Ireland. The deeds relate to security for loans obtained by individual members to fund their capital subscription to the LLP

**10. ULTIMATE CONTROLLING PARTY**

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

**11. RECONCILIATION OF MEMBERS' INTERESTS**

	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors	Total Members' Interest
	Members' Capital	Other Reserves	Total		
	£	£	£	£	£
Amounts due to members				180	
Amounts due from members				(2,338,938)	
Balance at 6 April 2006	13,129,461	-	13,129,461	(2,338,758)	10,790,703
Members' remuneration charged as an expense	-	-	-	-	-
Profit/(loss) for the financial year available for discretionary division among members	-	490,486	490,486	-	490,486
Members' interests after profit/(loss) for the period	13,129,461	490,486	13,619,947	(2,338,758)	11,281,189
Other divisions of profit/losses	-	(490,486)	(490,486)	490,486	-
Introduced by members	-	-	-	-	-
Repayment of capital	-	-	-	-	-
Repayment of debt (including members' capital classified as a liability)	-	-	-	-	-
Drawings	-	-	-	(732,639)	(732,639)
Other movements	-	-	-	-	-
Amounts due to members				180	
Amounts due from members				(2,581,091)	
Balance at 5 April 2007	13,129,461	-	13,129,461	(2,580,911)	10,548,550

**HARWOOD FILM PARTNERSHIP LLP**  
**MANAGEMENT INFORMATION**  
**YEAR ENDED 5 APRIL 2007**

---

**The following pages do not form part of the statutory financial statements  
which are the subject of the independent auditor's report on pages 4 to 5**

# **HARWOOD FILM PARTNERSHIP LLP**

## **DETAILED PROFIT AND LOSS ACCOUNT**

**YEAR ENDED 5 APRIL 2007**

---

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>TURNOVER</b>	490,655	34,988
<b>OVERHEADS</b>		
Administrative expenses	2,658	2,329,328
<b>OPERATING PROFIT/(LOSS)</b>	487,997	(2,294,330)
Bank interest receivable	2,489	5,095
<b>PROFIT/(LOSS) FOR THE YEAR AVAILABLE FOR DIVISION AMONG MEMBERS</b>	<u>490,486</u>	<u>(2,289,235)</u>

---

**HARWOOD FILM PARTNERSHIP LLP**  
**NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 5 APRIL 2007**

	2007 £	2006 £
<b>ADMINISTRATIVE EXPENSES</b>		
<b>General expenses</b>		
Management charge payable	-	1,801,245
Professional fees	500	527,778
Audit fees	2,000	-
Bank charges	158	305
	<u>          </u>	<u>          </u>
<b>INTEREST RECEIVABLE</b>		
Bank interest receivable	2,489	5,095
	<u>          </u>	<u>          </u>

# HARWOOD FILM PARTNERSHIP LLP

## MEMBERS' CAPITAL ACCOUNT YEAR ENDED 5 APRIL 2007

		Share	b/fwd £	share of profit £	drawings £	balance £
1 David	Barrie	1 34%	144,795	6,582	(9,831)	141,546
2 Grant	Brebner	4 17%	449,649	20,439	(30,530)	439,558
3 Richard	Charles	1 25%	135,356	6,153	(9,190)	132,319
4 Andrew	Chudzík	1 04%	112,619	5,119	(7,646)	110,092
5 Richard	Clarke	1 35%	145,600	6,618	(9,886)	142,332
6 Alistair	Dixon	2 50%	269,480	12,249	(18,297)	263,432
7 Rupert	Dougall	1 27%	137,452	6,248	(9,333)	134,367
8 Peter	Dubens	19 26%	2,077,811	94,447	(141,076)	2,031,182
9 Ivan	Fitzherbert	1 86%	201,104	9,141	(13,654)	196,591
10 Colin	Grassie	19 91%	2,148,724	97,671	(145,891)	2,100,504
11 Keith	Grey	1 04%	112,619	5,119	(7,646)	110,092
12 Ian	Griffiths	0 35%	37,808	1,719	(2,567)	36,960
13 Stephen	Hammond	0 75%	80,442	3,656	(5,462)	78,636
14 Alexander	Hoodless	1 30%	139,944	6,361	(9,502)	136,803
15 Nigel	Kennedy	1 42%	152,839	6,947	(10,377)	149,409
16 Richard	Meering	1 63%	175,485	7,977	(11,915)	171,547
17 Simon	Milner	4 92%	530,899	24,132	(36,046)	518,985
18 John	Moffitt	7 82%	844,107	38,369	(57,312)	825,164
19 Steven	Moriarty	3 75%	404,283	18,377	(27,449)	395,211
20 Robert	Manders	1 85%	199,496	9,068	(13,545)	195,019
21 Nicholas	Ogden	0 63%	68,376	3,108	(4,642)	66,842
22 David	Pluck	1 86%	201,104	9,141	(13,654)	196,591
23 Christopher	Potts	1 34%	144,795	6,582	(9,831)	141,546
24 Charles	Price	6 14%	662,036	30,093	(44,950)	647,179
25 Robert	Rangeley	1 21%	130,316	5,924	(8,848)	127,392
26 Charles	Stephenson	1 12%	120,663	5,485	(8,193)	117,955
27 Charlotte	Street	0 86%	92,508	4,205	(6,281)	90,432
28 Elliot	Ward	1 12%	120,663	5,485	(8,193)	117,955
29 Gary	Wong	5 96%	643,534	29,252	(43,694)	629,092
30 Riaz	Yar	0 98%	106,017	4,819	(7,198)	103,638
		<u>100%</u>	<u>10,790,523</u>	<u>490,486</u>	<u>(732,639)</u>	<u>10,548,370</u>