

LLP REGISTRATION NUMBER OC306643

**HARWOOD FILM PARTNERSHIP LLP**  
**FINANCIAL STATEMENTS**  
**5 APRIL 2010**

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**HARWOOD FILM PARTNERSHIP LLP**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 5 APRIL 2010**

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

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<b>Designated members</b>	Scotts Secretarial Services Limited Scotts Nominees Limited
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<b>Registered office</b>	c/o Turcan Connell 12 Stanhope Gate London W1K 1AW
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<b>Auditor</b>	FourM Chartered Accountants & Registered Auditors Stannergate House 41 Dundee Road West Broughty Ferry Dundee DD5 1NB
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<b>Bankers</b>	Bank of Ireland 20 Berkeley Square London W1J 6LL
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# **HARWOOD FILM PARTNERSHIP LLP**

## **THE REPORT OF THE MEMBERS**

**YEAR ENDED 5 APRIL 2010**

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The members present their report and the financial statements of the LLP for the year ended 5 April 2010

### **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 2010 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

### **STATEMENT OF MEMBERS RESPONSIBILITIES**

The members are responsible for preparing the Report of the Members and the financial statements in accordance with applicable law and regulations

Legislation applicable to limited liability partnerships requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) The financial statements are required by law to 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;
- 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 REPORT OF THE MEMBERS *(continued)***

**YEAR ENDED 5 APRIL 2010**

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The members are responsible for keeping proper accounting records that 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 Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008. The members 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.

In so far as the members are aware:

- there is no relevant audit information of which the LLP's auditor is unaware; and
- the members 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.

### **AUDITOR**

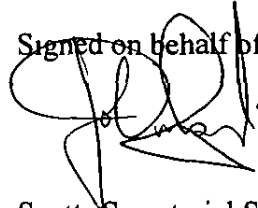
FourM is deemed to be re-appointed under section 487(2) of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008.

### **SMALL LLP PROVISIONS**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 (as applied to limited liability partnerships by regulation 3 of the Limited Liability Partnerships Regulations 2008).

Registered office  
c/o Turcan Connell  
12 Stanhope Gate  
London  
W1K 1AW

Signed on behalf of the members



Scotts Secretarial Services Limited

Designated Member

Approved by the members on 15 December 2010

**HARWOOD FILM PARTNERSHIP LLP**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**HARWOOD FILM PARTNERSHIP LLP**  
**YEAR ENDED 5 APRIL 2010**

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We have audited the financial statements of Harwood Film Partnership LLP for the year ended 5 April 2010, set out on pages 6 to 10, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) 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 Section 495 of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008. 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 2006 as modified by the Limited Liability Partnerships Regulations 2008. We also report to you whether in our opinion the information given in the Report of the Members 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 Report of the Members 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** *(continued)*  
**YEAR ENDED 5 APRIL 2010**

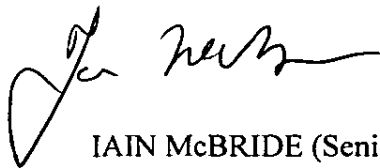
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We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material 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 2010 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008; and
- the information given in the Report of the Members is consistent with the financial statements



IAIN McBRIDE (Senior Statutory Auditor)

For and on behalf of  
FOURM

Chartered Accountants  
& Registered Auditors

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

15 December 2010

**HARWOOD FILM PARTNERSHIP LLP**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 5 APRIL 2010**

	Note	2010 £	2009 £
<b>TURNOVER</b>	<b>2</b>	<b>448,411</b>	<b>465,189</b>
Administrative expenses		-	6,819
<b>OPERATING PROFIT</b>	<b>4</b>	<b>448,411</b>	<b>458,370</b>
Interest receivable		-	58
<b>PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES</b>		<b>448,411</b>	<b>458,428</b>
<b>MEMBERS' REMUNERATION CHARGED AS AN EXPENSE</b>			
Automatic division of profits		<u>(448,411)</u>	<u>(458,428)</u>
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS</b>		<u>-</u>	<u>-</u>

The notes on pages 8 to 10 form part of the financial statements



# HARWOOD FILM PARTNERSHIP LLP

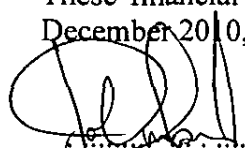
## BALANCE SHEET

5 APRIL 2010

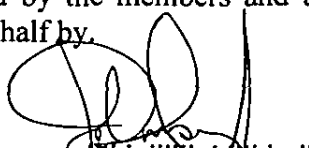
	Note	2010 £	2009 £
<b>CURRENT ASSETS</b>			
Investments in finance leases			
Maturing within one year	5	453,092	339,711
Maturing after one year	5	<u>9,056,668</u>	<u>9,509,760</u>
		9,509,760	9,909,471
Debtors	6	<u>3,619,701</u>	<u>3,219,990</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>13,129,461</u>	<u>13,129,461</u>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>		<u>13,129,461</u>	<u>13,129,461</u>
<b>Represented by:</b>			
<b>LOANS AND OTHER DEBTS</b>			
<b>DUE TO MEMBERS</b>		<u>13,129,461</u>	<u>13,129,461</u>
<b>TOTAL MEMBERS' INTERESTS</b>			
Loan and other debts due to members	10	13,129,461	13,129,461
Amounts due from members	10	<u>(3,619,701)</u>	<u>(3,219,990)</u>
		<u>9,509,760</u>	<u>9,909,471</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008 relating to small LLPs and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These financial statements were approved by the members and authorised for issue on 15 December 2010, 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

The notes on pages 8 to 10 form part of the financial statements

**HARWOOD FILM PARTNERSHIP LLP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 5 APRIL 2010**

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**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) and the requirements of the Statement of Recommended Practice "Accounting for Limited Liability Partnerships" issued March 2006 (SORP 2006).

**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 finance income element of the rental stream 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  
The largest profit share attributable to a member for the period was £89,292.

**4. OPERATING PROFIT**

Operating profit is stated after charging:

	2010 £	2009 £
Auditor's fees	-	-
	<u>          </u>	<u>          </u>
Auditors' remuneration for the duration of the partnership was provided in the accounts for the period ended 5 April 2004		

**HARWOOD FILM PARTNERSHIP LLP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 5 APRIL 2010**

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**5. INVESTMENTS IN FINANCE LEASES**

Minimum lease receivables due in year ending 5 April	2010 £	2009 £
Within one year	890,528	848,122
In two to five years	4,030,199	3,838,285
In more than five years	<u>7,631,455</u>	<u>8,713,896</u>
Total minimum future rentals	12,552,182	13,400,303
Finance charges allocated to future periods	<u>(3,042,422)</u>	<u>(3,490,832)</u>
	<u>9,509,760</u>	<u>9,909,471</u>

The minimum lease receivables maturing within one year are as follows

	2010 £	2009 £
Gross receivables	890,528	848,122
Finance charges	<u>(437,436)</u>	<u>(448,411)</u>
	<u>453,092</u>	<u>399,711</u>

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

**6. DEBTORS**

	2010 £	2009 £
Amounts due from members	<u>3,619,701</u>	<u>3,219,990</u>

**7. 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

**8. 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. These loans plus interest are being repaid from the members' drawings from the LLP. The value of these loans is equal to the total of members' interests at note 10.

The designated members consider it unlikely that the LLP's charges over the distribution rights would ever require to be assigned to the Bank of Ireland.

**HARWOOD FILM PARTNERSHIP LLP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 5 APRIL 2010**

**9. ULTIMATE CONTROLLING PARTY**

In the opinion of the Designated Members, there is no ultimate controlling party

**10. RECONCILIATION OF MEMBERS' INTERESTS**

	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors	Total Members' Interests
	Members' Capital	Other Reserves	Total		
	£	£	£	£	£
Amounts due to members				13,129,461	
Amounts due from members				(3,219,990)	
Balance at 6 April 2009	-	-	-	9,909,471	9,909,471
Members' remuneration charged as an expense	-	-	-	448,411	448,411
Profit/(loss) for the financial year available for discretionary division among members	-	-	-	-	-
Members' interests after profit/(loss) for the period	-	-	-	10,357,882	10,357,882
Other divisions of profit/losses	-	-	-	-	-
Introduced by members	-	-	-	-	-
Repayment of capital	-	-	-	-	-
Repayment of debt (including members' capital classified as a liability)	-	-	-	-	-
Drawings	-	-	-	(848,122)	(848,122)
Other movements	-	-	-	-	-
Amounts due to members				13,129,461	
Amounts due from members				(3,619,701)	
Balance at 5 April 2010	-	-	-	9,509,760	9,509,760