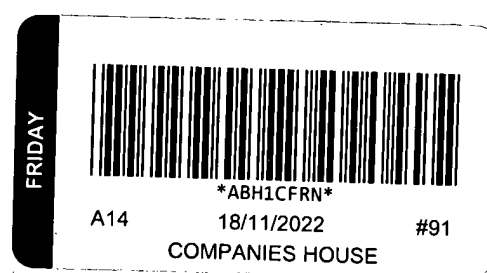


BLYTH FILMS LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2022



Limited Liability Partnership Number: OC313273

BLYTH FILMS LLP

**ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2022**

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BLYTH FILMS LLP

MEMBERS' REPORT YEAR ENDED 5 APRIL 2022

The members present the Annual Report on the affairs of Blyth Films LLP ("the Partnership") with the financial statements for the year ended 5 April 2022.

Principal activities

The Partnership commenced its trade in the 2005/06 tax year, at which time the members contributed capital for the purposes of acquiring from, and leasing back to producers (under 15 year finance leases), films certified as "British" in accordance with the Films Act 1985, in exchange for guaranteed rental payments (the "Original Leasing Transactions").

In the 2011/12 tax year, the members contributed additional capital to the Partnership in order to acquire a further film ("X-Men: First Class") for leasing (under an operating lease arrangement) with a view to generating further profits. Rental payments from the operating lease are not guaranteed and are dependent on the commercial performance of the further film acquired (the "Further Leasing Transaction").

The Original Leasing Transactions will reach the end of their lease period during the year ending 5 April 2022. Accordingly the Partnership will continue to own rights in the film, "X-Men: First Class", and will monitor the performance of the film and collect any cashflows which may fall due from their exploitation.

Further details regarding the finance leases and operating leases can be found in Note 1 to the financial statements, whilst the films previously acquired are outlined in Note 5 to the financial statements.

Going concern

The Partnership is in a net assets position and under the terms of its Original Leasing Transactions the Partnership has no further guaranteed rental payments. The Partnership will monitor the performance of its Further Leasing Transaction and collect future cashflows which may fall due from its exploitation.

The members believe that the Partnership will be able to meet its obligations as they arise and they have a reasonable expectation that the Partnership will continue in operational existence for the foreseeable future.

Further details regarding the adoption of the going concern basis can be found in Note 1 to the financial statements.

Policy regarding members' drawings and capital

The Designated Members serving during the year were Fleet Film Partners 1 Limited and Fleet Film Partners 2 Limited ("the Designated Members").

The Designated Members are not entitled to drawings in relation to the Original Film investments. In accordance with the Amended and Restated Members' Agreement, no ordinary member shall be entitled to make drawings on account of profits to which they are entitled, unless unanimously agreed by the ordinary members, or unless permitted under that Agreement.

The Designated Members are entitled to drawings in relation to New Film investments and all Reinvestment Films. In accordance with the Amended and Restated Members' Agreement, Designated Members and the ordinary members shall be entitled to make drawings on account of profits to which they are entitled jointly in the Partnership Proportions under that Agreement.

There were no transfers of members' capital to debt during the year. The operating cash requirements of the Partnership shall ordinarily be met out of the members' initial and additional contributions. No member shall be required to make further funding available after their admission as a member.

BLYTH FILMS LLP

MEMBERS' REPORT (CONTINUED) YEAR ENDED 5 APRIL 2022

Statement of members' responsibilities

Under the Members' Agreement, the Partnership is obliged to produce financial statements on an annual basis. The Designated Members are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

Legislation applicable to limited liability partnerships ("LLPs") 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Partnership law, as applied to LLPs, the members 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 Partnership and of the profit or loss of the Partnership for that year. In preparing these 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; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Partnership will continue in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to LLPs. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The operator of the Partnership is Goldwoodshire Limited (the "Operator").

In so far as the Designated Members are aware:

- The members are responsible for ensuring the integrity of the corporate and financial information included on the Operator's website and for ensuring that the information is maintained. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

These responsibilities are exercised by the Designated Members on behalf of the Partnership.

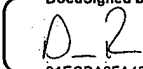
BLYTH FILMS LLP

MEMBERS' REPORT (CONTINUED)
YEAR ENDED 5 APRIL 2022

Small companies exemptions

This report has been prepared in accordance with the provisions applicable to entities entitled to the small companies exemption. This is in accordance with Part 15 of the Companies Act 2006, as applicable to LLPs. The Partnership has taken advantage of the exemption for the requirement to disclose an enhanced business review and to prepare a strategic report in accordance with section 414B of the Companies Act 2006.

The report was approved by the Designated Members and signed on their behalf by:

DocuSigned by:

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Duncan Reid, Director of
Fleet Film Partners 1 Limited
Designated Member
Date: 7/9/2022 | 12:46 BST

Registered office:

15 Golden Square
London
W1F 9JG

Limited Liability Partnership Number: OC313273

BLYTH FILMS LLP**PROFIT AND LOSS ACCOUNT
YEAR ENDED 5 APRIL 2022**

	Notes	5 April 2022 £	5 April 2021 £
Turnover	1, 3	-	26,458
OPERATING PROFIT		<u>-</u>	<u>26,458</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARE		-	26,458
		<u>-</u>	<u>26,458</u>
RETAINED PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	6	-	26,458
		<u>-</u>	<u>26,458</u>

All results are derived from continuing operations during the current and prior years.

The Partnership has no recognised gains and losses other than those shown above.

The Notes on pages 7 to 10 form an integral part of the financial statements.

BLYTH FILMS LLP**BALANCE SHEET
AS AT 5 APRIL 2022**

	Notes	5 April 2022 £	5 April 2021 £
FIXED ASSETS			
Films acquired under operating leases	4	17,754,000	17,754,000
Less: Accumulated depreciation	4	(17,754,000)	(17,754,000)
		-	-
CURRENT ASSETS			
Amounts falling due within one year:			
Net investment in film finance leases	5	-	1,184,780
Called up members' capital not paid		2	2
Cash at bank		102	102
		104	1,184,884
CREDITORS			
Amounts falling due within one year:			
Rentals received in advance		-	(1,184,780)
NET CURRENT ASSETS		104	104
ASSETS			
Amounts falling due after more than one year:			
Net investment in film finance leases	6	-	-
NET ASSETS ATTRIBUTABLE TO MEMBERS		104	104
MEMBERS' OTHER INTERESTS REPRESENTED BY:			
Members' capital classified as equity	7	44,869,723	44,869,723
Other reserves	7	(44,869,619)	(44,869,619)
TOTAL MEMBERS' INTERESTS	7	104	104
MEMBERS' OTHER INTERESTS		104	104

The Notes on pages 7 to 10 form an integral part of the financial statements.

The Designated Members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 (as applicable to limited liability partnerships) with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime as defined within Part 15 of the Companies Act 2006 and in accordance with the provisions of Financial Reporting Standard 102 Section 1A small entities. The Partnership was entitled to exemption from audit under section 477 of the Companies Act 2006 (as applicable to limited liability partnerships).

The financial statements were approved by the Designated Members and authorised for issue and signed on their behalf by:

DocuSigned by:
D.2
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Duncan Reid, Director of
Fleet Film Partners 1 Limited
Designated Member
Date: 7/9/2022 | 12:46 BST

Limited Liability Partnership Number: OC313273

BLYTH FILMS LLP**RECONCILIATION OF MOVEMENTS IN MEMBERS' INTERESTS
YEAR ENDED 5 APRIL 2022**

	Members' Capital £	Other Reserves £	Total £	2022 Total Members' Interests £	2021 Total Members' Interests £
Balance at 6 April 2021:	44,869,723	(44,869,619)	104	104	2,117,372
Profit for the financial year available for discretionary division among members	-	-	-	-	26,458
Members' interests after loss for the year	44,869,723	(44,869,619)	104	104	2,143,830
Drawings	-	-	-	-	(2,143,726)
Balance at 6 April 2022:	<u>44,869,723</u>	<u>(44,869,619)</u>	<u>104</u>	<u>104</u>	<u>104</u>

The Notes on pages 7 to 10 form an integral part of the financial statements.

BLYTH FILMS LLP

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 5 APRIL 2022

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have been applied consistently throughout the current and preceding year.

General information and basis of preparation of financial instruments

The Partnership was incorporated in England and Wales as a limited liability partnership under the Limited Liability Partnerships Act 2000. Its place of business and registered office address is 15 Golden Square, London, W1F 9JG. The nature of the Partnership's operations and principal activity are set out in the Members' Report on page 1.

The functional currency of the Partnership is considered to be pound sterling which is the currency of the primary economic environment in which the Partnership operates.

The financial statements have been prepared under the historical cost convention in accordance with Financial Reporting Standard 102 Section 1A ('FRS 102 Section 1A'), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The preparation of financial statements in compliance with FRS 102 Section 1A requires the use of certain critical accounting estimates (see note 2 to the financial statements). It also requires management to exercise judgement in applying the Partnership's accounting policies.

The financial statements do not include a cash flow statement because the Partnership is a qualifying entity under FRS 102 Section 1A for taking advantage of the exemption from preparing such a statement.

Turnover

Turnover, excluding VAT, is recognised on the following basis:

(i) Finance lease income

The recognition of finance lease income is calculated to reflect a constant periodic rate of return on the net cash investment in the lease.

(ii) Operating lease income

Operating lease income is determined by the commercial success of the film and recognised when received.

(iii) Participation in film net revenues

The Partnership's participation in film net revenues in excess of net investment in film finance leases, development and production expenditure, is recognised in turnover when notified by the relevant collection agent.

The members do not consider any one part of the worldwide market to be significantly different from any

Film finance leases

In accordance with FRS 102 Section 20 'Leases', the amount due from the lessee under finance leases is recorded in the balance sheet of the Partnership as a debtor at the amount of the net investment in the lease, less provision for any items such as bad and doubtful rentals receivable.

Rentals received in advance

When lease rentals are received in advance of the period to which they relate, the amounts are recorded as rentals received in advance and included as creditors due within one year.

Film operating leases

Assets leased under operating leases have been recorded as fixed assets and depreciated on a straight-line basis at 20% p.a. Rental income is recognised when received.

BLYTH FILMS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 5 APRIL 2022

1. ACCOUNTING POLICIES (CONTINUED)

Going concern

Under the terms of its sale and leaseback agreements the Partnership has no further guaranteed rental payments. The Partnership is in a net assets position. Accordingly, the members believe that the Partnership will be able to maintain positive cash flows for the foreseeable future. As a result the going concern basis of accounting has been adopted.

Taxation

No current or deferred taxation is provided in the financial statements as the liability for taxation falls on the individual members.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Partnership's accounting policies, which are described in Note 1, the members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting judgements in applying the accounting policies

The following are the critical judgements that the members have made in the process of applying the Partnership's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Impairment of investments

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Financial assets

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Income

For films acquired under operating leases the Partnership is entitled to receive rental payments which accrue to it and which are subject always to the performance of that film. Although the members periodically estimate the amount of rental income that would be received for the asset this revenue is recognised only when it is probable that the income will be received, which is normally when the event has occurred.

BLYTH FILMS LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
YEAR ENDED 5 APRIL 2022**3. TURNOVER**

Turnover represents finance lease income calculated to reflect a consistent periodic rate of return on the net cash investment in the lease plus any participation in net film revenues receivable in excess of the net investment made. Operating lease turnover is derived from operating lease charges on a cash received basis.

4. FIXED ASSETS

Films acquired for operating leases	£
Cost at 6 April 2021:	17,754,000
Film additions during the year:	-
Cost at 5 April 2022:	<u>17,754,000</u>
Accumulated depreciation at 6 April 2021:	(17,754,000)
Depreciation charged during the year:	-
Accumulated depreciation at 5 April 2022:	<u>(17,754,000)</u>
Net Book Value at 5 April 2022:	<u>-</u>
Net Book Value at 5 April 2021:	<u>-</u>

BLYTH FILMS LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
YEAR ENDED 5 APRIL 2022**5. NET INVESTMENT IN FILM LEASES**

			2022	2021	2022	2021
	Gross	Finance	Net	Net	Films	Films
Name of film	Rentals	Charge	Investment	Investment	Acquired	Acquired
	£	£	£	£	For Leasing	For Leasing
					£	£
Films acquired for operating leases:						
X-Men: First Class	-	-	-	-	17,754,000	17,754,000
	-	-	-	-	17,754,000	17,754,000
Films acquired for finance leases:						
The Business	2,485,940	(401,379)	2,084,561	2,084,561	-	-
Confetti	2,167,108	(310,356)	1,856,752	1,856,752	-	-
Cashback	882,209	(139,289)	742,920	742,920	-	-
Kidulthood	882,862	(157,726)	725,136	725,136	-	-
Four Last Songs	4,614,636	(854,069)	3,760,567	3,760,567	-	-
The New World	1,123,274	(206,289)	916,985	916,985	-	-
The Magic Flute	17,625,769	(2,801,216)	14,824,553	14,824,553	-	-
	29,781,798	(4,870,324)	24,911,474	24,911,474	-	-
Rentals accrued previously	(28,570,561)	4,843,867	(23,726,694)	(21,207,018)	-	-
Rentals accrued in the year	(1,211,237)	26,457	(1,184,780)	(2,519,676)	-	-
	-	-	-	1,184,780	17,754,000	17,754,000
Amounts falling due within one year			-	1,184,780		
			-	1,184,780		

6. INFORMATION RELATING TO MEMBERS

No member received any salaried remuneration from the Partnership during the current and prior year.

The average number of members in the year was 4 (2021: 4). The average allocation of profit was therefore £nil (2021: £6,615) and the largest allocation of profit to any single member was £nil (2021: £26,389).

7. RELATED PARTY TRANSACTIONS

The Designated Members and the Operator (also a member of the Partnership) are all wholly-owned subsidiaries of Freeshire Limited, which itself is a wholly-owned subsidiary of Fernlakes Limited.

There were no material transactions with any related parties in the year.