

CAIRO FILM PARTNER 1 LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS

5 APRIL 2012



Company Registration Number
04617543 (England and Wales)

CAIRO FILM PARTNER 1 LIMITED

Directors	J L Boyton M T Bugden J H M Clayton N A Forster D M Reid S J Speight
Company Secretary	S J Cruickshank
Registered Office	15 Golden Square London W1F 9JG
Registered Number	04617543 (England and Wales)
Auditor	Shipleys LLP Chartered Accountants London, UK
Business Address	15 Golden Square London W1F 9JG

CAIRO FILM PARTNER 1 LIMITED

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**DIRECTORS' REPORT
5 APRIL 2012**

The directors present the Annual Report and Financial Statements of Cairo Film Partner 1 Limited ("the Company") for the year ended 5 April 2012

Principal activity

The principal activity of the Company continues to be to trade as a partner in Cairo Film Partners ("the Partnership"), a partnership formed to pursue commercial film opportunities through a combination of sale and leaseback transactions and film development projects

The Company is a wholly-owned subsidiary of Ingenious Media Limited, which is a wholly-owned subsidiary within the Ingenious Media Holdings plc group ("the Group") The Group manages its operations on a divisional basis For this reason, the Company's directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of its development, performance or position

Going concern

The directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies

Principal risks and uncertainties

The key business risks faced by the Company can be affected by a number of factors some of which may result from matters beyond the Company's control, such as conditions in the domestic and global financial markets and the wider economy The financial risk and operational management policies are determined for the Group as a whole and are discussed in the Group's Annual Report and Financial Statements

Results and dividends

The results for the year are set out on page 6

The directors do not propose to pay a final dividend (year ended 5 April 2011 £nil)

No interim dividend was declared during the year (year ended 5 April 2011 £nil)

Future developments

The Company intends to continue to undertake its principal activity

DIRECTORS' REPORT (CONTINUED)
5 APRIL 2012

Directors

The directors in office during the year and subsequently were as follows

J L Boyton
M T Bugden
J H M Clayton
N A Forster
D M Reid
S J Speight

Provision of insurance to directors

All directors were covered by Directors and Officers liability insurance throughout the year under review and this will continue to remain in force

Creditors payment policy

The Company does not follow any specific code or standard on payment of creditors. The Company agrees the payment terms as part of the commercial arrangement negotiated with suppliers. Payments are made on these terms provided the supplier meets its obligations.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. 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 period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable United Kingdom Accounting Standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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.

DIRECTORS' REPORT (CONTINUED)
5 APRIL 2012

Auditor

Each of the persons who is a director at the date of approval of this report confirms that so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware and the director has taken all the 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

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006

In the absence of a notice proposing that the appointment be terminated, the auditor, Shipleys LLP, will be deemed to be re-appointed in accordance with section 487 of the Companies Act 2006

This report was approved and signed on behalf of the board of directors by



S J Cruickshank
Company Secretary
Date 11 September 2012

Registered office
15 Golden Square
London
W1F 9JG

Company Registration Number 04617543 (England and Wales)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAIRO FILM PARTNER 1 LIMITED

We have audited the financial statements of Cairo Film Partner 1 Limited for the year ended 5 April 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's 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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the Company's affairs as at 5 April 2012 and of its results for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CAIRO FILM PARTNER 1 LIMITED (CONTINUED)

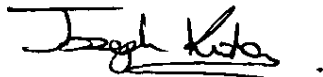
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Joseph Kinton (Senior Statutory Auditor)

for and on behalf of Shipleys LLP (Chartered Accountants and Statutory Auditor)
10 Orange Street, Haymarket, London, WC2H 7DQ

Date 11 September 2012

CAIRO FILM PARTNER 1 LIMITED

PROFIT AND LOSS ACCOUNT
YEAR ENDED 5 APRIL 2012

	Notes	Year ended 5 April 2012 £	Year ended 5 April 2011 £
Share of loss of associated partnership	4	(3,037,150)	(3,037,150)
Loss on ordinary activities before taxation		(3,037,150)	(3,037,150)
Taxation	3	-	-
Loss for the financial year	10	(3,037,150)	(3,037,150)

The accounting policies and notes to the financial statements on pages 8 to 12 form an integral part of the financial statements

All of the Company's losses were derived from continuing operations during the current and prior year

The Company has no recognised gains and losses other than those shown above and therefore no separate Statement of Total Recognised Gains and Losses has been presented

CAIRO FILM PARTNER 1 LIMITED

BALANCE SHEET
AS AT 5 APRIL 2012

	Notes	5 April 2012 £	5 April 2011 £
Fixed assets			
Investments	4	4,030,119	7,067,269
Current assets			
Amounts owed by group undertakings	5	3	3
Creditors: amounts falling due within one year			
Other creditors	6	(1)	(1)
Net current assets		<u>2</u>	<u>2</u>
Creditors: amounts falling due after one year			
Amounts owed to group undertakings	7	<u>(14,386,574)</u>	<u>(14,386,574)</u>
Net liabilities		<u>(10,356,453)</u>	<u>(7,319,303)</u>
Capital and reserves			
Called up share capital	8	3	3
Profit and loss account	10	<u>(10,356,456)</u>	<u>(7,319,306)</u>
Shareholder's deficit	9	<u>(10,356,453)</u>	<u>(7,319,303)</u>

The accounting policies and notes to the financial statements on pages 8 to 12 form an integral part of the financial statements

The financial statements were approved by the board of directors and authorised for issue on 11/9/12

They were signed on behalf of the board of directors by



N A Forster
Director

Company Registration Number 04617543 (England and Wales)

STATEMENT OF ACCOUNTING POLICIES
5 APRIL 2012

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

Basis of accounting

The Annual Report and Financial Statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position have been reviewed by the directors. As part of the Group, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The amounts owed to group undertakings take the form of a loan granted and the terms of this loan mean that it is only repayable to the extent that funds are received from the investments by the Company. The directors have a reasonable expectation that the Company will continue in operational existence for the foreseeable future, and accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements which they feel is wholly appropriate.

Cash flow

The financial statements do not include a Cash Flow Statement because the Company, as a wholly-owned subsidiary, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash Flow Statements'.

Fixed asset investments

Interests in partnerships

Fixed asset investments in the Partnership represent the Company's share of the Partnership's net assets at year end.

NOTES TO THE FINANCIAL STATEMENTS
5 APRIL 2012

1. Staff costs

The Company incurred no staff costs nor paid any remuneration to its directors during the year (year ended 5 April 2011 £nil)

The emoluments of directors were paid and borne by other Group undertakings and none of their remuneration was specifically attributable to their services to the Company

2. Auditor's remuneration

The remuneration of the Company's auditor, Shipleys LLP, of £1,050 for audit services has been borne by the parent company, Ingenious Media Limited

3. Taxation

The tax charge on the loss on ordinary activities was as follows

	Year ended 5 April 2012 £	Year ended 5 April 2011 £
UK Corporation tax at 26% for the period from 6 April 2011 to 31 March 2012 and 24% for the period from 1 April 2012 to 5 April 2012 (year ended 5 April 2011 28%) based on the adjusted results for the year	-	-
Factors affecting tax charge for the year	5 April 2012 £	5 April 2011 £
Loss on ordinary activities before taxation	(3,037,150)	(3,037,150)
Loss on ordinary activities for the period multiplied by standard rate of corporation tax in the UK of 26% for the period from 6 April 2011 to 31 March 2012 and 24% for the period from 1 April 2012 to 5 April 2012 (year ended 5 April 2011 28%)	(788,829)	(849,572)
Effects of Adjustments resulting from investment in film partnerships	788,829	849,572
Current tax charge	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
5 APRIL 2012

4. Fixed asset investments

	5 April 2012 £	5 April 2011 £
Balance brought forward	7,067,269	10,104,419
Movement during the year		
Share of Partnership loss	(3,037,150)	(3,037,150)
Balance carried forward	4,030,119	7,067,269

The investment represents an interest in the Partnership which has net assets at 5 April 2012 of £18,805,093 (year ended 5 April 2011 £23,577,392) and a loss for the year then ended of £2,928,567 (year ended 5 April 2011 £2,895,453 loss)

The principal place of business for the Partnership is 15 Golden Square, London W1F 9JG
Further information in relation to this investment can be found in note 12

5. Debtors

	5 April 2012 £	5 April 2011 £
Amounts owed by group undertakings	3	3

6. Creditors: amounts falling due within one year

	5 April 2012 £	5 April 2011 £
Other creditors	1	1

7. Creditors: amounts falling due after one year

	5 April 2012 £	5 April 2011 £
Amounts owed to group undertakings	14,386,574	14,386,574

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
5 APRIL 2012

8. Called up share capital

	Allotted and called up			
	5 April 2012		5 April 2011	
	£	No	£	No
Ordinary shares of £1 each	3	3	3	3

9. Reconciliation of movements in shareholder's deficit

	5 April 2012 £	5 April 2011 £
Shareholder's deficit brought forward	7,319,303	4,282,153
Loss for the financial year after taxation	3,037,150	3,037,150
Shareholder's deficit carried forward	10,356,453	7,319,303

10. Statement of movements on Profit and Loss Account

	5 April 2012 £	5 April 2011 £
Balance brought forward	7,319,306	4,282,156
Loss for the financial year	3,037,150	3,037,150
Balance carried forward	10,356,456	7,319,306

11. Related party transactions

The financial statements do not include disclosure of transactions between the Company and entities that are wholly-owned within the Group. This is because, as a subsidiary whose shares are wholly-controlled within the Group, it is exempt from the requirement to disclose such transactions, under Financial Reporting Standard 8 'Related Party Disclosures'.

Ingenious Media Investments Limited, a fellow subsidiary wholly-owned by Ingenious Media Limited, acts as the operator to the Partnership.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
5 APRIL 2012

12. Additional information on associated undertakings

During the year the Company had an interest in the following associate

Associated Undertaking	Activity	Class	%
Cairo Film Partners	Film development and exploitation	Corporate member	34.97

The net carrying value of the interest in the Partnership is £4,030,119 (year ended 5 April 2011 £7,067,269). The Partnership's loss for the year ended 5 April 2012 was £2,928,567, (year ended 5 April 2011 £2,895,453 loss) resulting in a net asset position of £18,805,093 (year ended 5 April 2011 £23,577,392) at that date.

Under the terms of the members' agreement of the Partnership, the Company is entitled to receive a 95% share of all profits/losses associated with its additional investment in 2008/09.

13. Controlling party

During the year ended 5 April 2012 the Company was a wholly-owned subsidiary of Ingenious Media Limited, a company registered in England and Wales. Ingenious Media Limited is a wholly-owned subsidiary within the Group. Ingenious Media Holdings plc is the only parent undertaking for which group accounts are prepared.

The consolidated financial statements of Ingenious Media Holdings plc can be obtained from Companies House, Crown Way, Maundy, Cardiff, CF14 3UZ.

The controlling shareholder of Ingenious Media Holdings plc is P A McKenna.