EAGLE ROCK FILM PRODUCTIONS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

Company No: 6736821

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Eagle Rock Film Productions Limited

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Eagle Rock Film Productions Limited

Key officers and advisers for the year ended 31 December 2011

Directors	T R Shand G M Kempin S W Hosken
Secretary	S W Hosken
Company number	6736821
Registered Office	Eagle House 22 Armoury Way London SW18 1EZ
Auditor	Deloitte LLP Chartered Accountants and Statutory Auditor London
Business address	Eagle House 22 Armoury Way London SW18 1EZ
Bankers	Coutts & Co 440 Strand London WC2R 0QS
Solicitors	Marriott Harrison Staple Court 11 Staple Inn Buildings London WC1V 7QH

Eagle Rock Film Productions Limited

Directors' report for the year ended 31 December 2011

The directors present their report together with the audited financial statements of Eagle Rock Film Productions Limited (the company) for the year ended 31 December 2011

This directors' report has been prepared in accordance with the special provisions applicable to companies entitled to the small companies' exemption

Principal activities and future developments

The principal activity of the company in prior years was that of film production and current year income and costs relate to a prior year project and no other activity has occurred in the year

However, the company will continue to actively seek other film projects in the future

Results and dividends

The company's profit for the year after taxation was £501 (2010 loss £87,360)

Going concern

The company made a profit in 2011 of £501 (loss £87,360 in 2010)

The parent company has confirmed that it will support the company and as such the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future Going concern of the parent company has been considered in terms of future cash flows and the ability to meet its future liabilities For this reason they continue to adopt the going concern basis in preparing the accounts

Directors

The directors who held office as at 31 December 2011, during the year and up to the date of this report were

T R Shand
G M Kempin
S W H Hosken

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 he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's 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

Deloitte LLP has indicated its willingness to be re-appointed for another term and appropriate arrangements have been put in place for them to be deemed re-appointed as auditor in the absence of an Annual General Meeting

On behalf of the Board:

S W H Hosken
Company Secretary
25/9/ **2012**

Eagle Rock Film Productions Limited

Directors' responsibilities Statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year 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 UK 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 with reasonable accuracy at any time the financial position of the company and to 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

Independent auditor's report to the members of Eagle Rock Film Productions Limited

We have audited the financial statements of Eagle Rock Film Productions Limited for the year ended 31 December 2011 which comprise 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 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 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 Directors' Responsibilities Statements, 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 Practice Board's Ethical Standards for Auditors

Scope of the audit of 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 state of the company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on matters prescribed in the companies Act 2006

- In our opinion the information 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
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report

James A Bates

James Bates (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
25/9 *2012*

Eagle Rock Film Productions Limited

Profit and loss account for the year ended 31 December 2011

	Notes	**Year ended 31 December 2011 £**	Year ended 31 December 2010 £
Turnover		-	15,646
Cost of sales		-	(15,646)
Gross profit		-	-
Administrative expenses/(income) (net)		**537**	(3,912)
Operating profit/(loss)	2	**537**	(3,912)
Interest payable and similar charges	5	**(36)**	(424)
Profit/(loss) on ordinary activities before taxation		**501**	(4,336)
Tax credit on loss on ordinary activities	6	-	(83,024)
Profit/(loss) for the year after taxation	11, 12	**501**	(87,360)

All of the above amounts relate to continuing operations

A statement of total recognised gains and losses is not included in these accounts as there are no recognised gains or losses from the current financial year other than the results reported above

Eagle Rock Film Productions Limited

Balance Sheet as at 31 December 2011

	Notes	31 December 2011 £	31 December 2010 £
Current assets			
Stocks		**12,000**	12,000
Debtors	7	**172,862**	188,303
Cash at bank and in hand		**37**	-
		184,899	200,303
Creditors amounts falling due within one year	8	**(34,144)**	(50,049)
Net current assets		**150,755**	150,254
Net assets		**150,755**	150,254
Capital and reserves			
Called up share capital	10	**1**	1
Profit and loss account	11	**150,754**	150,253
Shareholders' funds	12	**150,755**	150,254

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements of company number 6736821 on pages 6 to 12 were approved by the Board of Directors on 25/9/2012 and were signed on its behalf by

S W H Hosken
Director

1. Accounting policies and basis of preparation

Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with law and applicable accounting standards in the United Kingdom The principal accounting policies, which have been applied consistently, are set out below

Going concern

The company made a profit in 2011 of £501 (loss £87,360 in 2010)

The parent company has confirmed that it will support the company and as such the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future Going concern of the parent company has been considered in terms of future cash flows and the ability to meet its future liabilities For this reason they continue to adopt the going concern basis in preparing the accounts

Cash flow statement and related party disclosure

The company is a wholly owned subsidiary of Eagle Rock Entertainment Limited and is included in the consolidated financial statements of Eagle Rock Entertainment Group Limited which may be obtained from Eagle House, 22 Armoury Way, Wandsworth, London SW18 1EZ Consequently, the company has taken advantage of the exemption allowed by Financial Reporting Standard 1 (revised) 1996, not to prepare a Cash Flow Statement

The company is exempt under the terms of Financial Reporting Standard 8 from disclosing related party transactions with other wholly owned subsidiaries of Eagle Rock Entertainment Group Limited There were no other related party relationships, transactions, or balances during the current or prior year which require disclosure

Turnover and revenue recognition

Turnover represents income, excluding value added tax, derived from third parties and fellow group companies from the sale of film production services Turnover is stated net of discounts Income is recognised once an agreement is concluded and master tapes are available for delivery

Taxation

Current tax is provided at amounts expected to be paid for (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date Deferred tax is measured on a non-discounted basis

2. Operating loss

Operating loss is stated after charging/(crediting)

	Year ended 31 December 2011 £	Year ended 31 December 2010 £
Exchange (gains)/losses on monetary assets/liabilities denominated in foreign currencies	**(1,395)**	1,683

Auditor's remuneration in 2011 was £3,000 (2010 £3,000) and was settled by a fellow group company, no recharge was made for this cost

3. Employee information

The company had no employees other than the Directors during the year

4. Directors' emoluments

No directors received any remuneration in connection with services provided to the company during the period

5. Interest payable and similar charges

	Year ended 31 December 2011 £	Year ended 31 December 2010 £
Overdrafts and bank loans	**36**	424

6. Taxation

	Year ended 31 December 2011 £	Year ended 31 December 2010 £
Current tax		
UK corporation tax at 26 5% (2010 28%)	-	(1,877)
Prior period adjustment	-	84,901
Total tax charge/(credit) for the year/period	-	83,024

6. Taxation (continued)

The tax assessed for the year differs from the standard rate of corporation tax in the UK applied to pre-tax losses The differences are explained below

	Year ended 31 December 2011 £	Year ended 31 December 2010 £
Profit/(loss) on ordinary activities before tax	**501**	(4,336)
Tax at rate of 26 5% (2010 28%)	**133**	(1,214)
Film tax relief prior year adjustment	**-**	84,901
Film tax relief	**-**	(1,877)
Expenses not deductible	**-**	1,214
Losses utilised	**(133)**	-
Current tax charge/(credit) for the year/period	**-**	83,024

7. Debtors

	31 December 2011 £	31 December 2010 £
Amounts falling due within one year:		
Amounts owed by group undertakings	**168,757**	155,170
Other debtors	**4,105**	33,133
	172,862	188,303

Amounts due from group undertakings are unsecured, interest free and repayable on demand

8. Creditors: amounts falling due within one year

	31 December 2011 £	31 December 2010 £
Bank overdrafts (note 9)	**45**	1,902
Trade creditors	**1,440**	-
Other creditors	**-**	2,738
Accruals	**32,659**	45,409
	34,144	50,049

9. Maturity of bank and other borrowings

	31 December 2011	31 December 2010
	£	£
Bank overdrafts		
Within one year	**45**	1,902
Total bank overdrafts and other borrowings	**45**	1,902

10. Called up share capital

	31 December 2011	31 December 2010
	£	£
Authorised		
1,000 £1 ordinary share	**1,000**	1,000
Allotted, issued and fully paid up:		
1 £1 ordinary shares	**1**	1

11. Profit and loss account

	£
Balance at 1 January 2011	150,253
Profit for the period	501
Balance at 31 December 2011	**150,754**

12. Reconciliation of movements in shareholders' funds

	31 December 2011	31 December 2010
	£	£
Opening shareholders' funds	150,254	237,614
Shares issued	-	-
Profit/(loss) for the year	501	(87,360)
Closing shareholders' funds	150,755	150,524

13. Ultimate parent company and ultimate controlling party

At 31 December 2011, the company's immediate parent company was Eagle Rock Entertainment Limited, the ultimate parent company and controlling party was Eagle Rock Entertainment Group Limited

The largest and smallest group in which the results of the group are consolidated is that of Eagle Rock Entertainment Group Limited, whose consolidated accounts may be obtained from Eagle House, 22 Armoury Way, Wandsworth, London SW18 1EZ Eagle Rock Entertainment Group Limited is incorporated in Great Britain and registered in England and Wales