

Financial Statements

Altus Media (Two) Plc

For the period ended 31 March 2014

Registered number: 08260708



Company Information

Directors	P Nichols (appointed 19 October 2012) J Fields (appointed 19 October 2012) T Smith (appointed 3 March 2014) P Brett (appointed 3 March 2014)
Company secretary	R Horsley
Registered number	08260708
Registered office	Valhalla House, 30 Ashby Road Tove Valley Business Park Towcester Northamptonshire NN12 6PG
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House 202 Silbury Boulevard Milton Keynes MK9 1LW

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Strategic Report

For the period ended 31 March 2014

Principal activities

The company was incorporated on 19 October 2012.

The principal activities of the Company are the production, co-production and exploitation of high quality commercial independent film and television projects.

Business review and future developments

The company has entered in to production agreements for, or incurred costs in relation to services provided to, La Vida Inesperada, Nina, Backmask, Better Living Through Chemistry, Chef, Last Days on Mars, Madam Bovary and Sin City 2 during the period. Subsequent to the year end, the company has also entered into production agreements for, or incurred costs in relation to services provided to, Wolf Hall and The Woods.

The Company has just over £2.5m available, and the board is currently considering various opportunities. It is anticipated that these funds will be used by the end of 2014.

Principal risks and uncertainties

The board is required to follow a strict risk mitigation strategy when deciding which film projects to enter in to. However, the commercial success of a film is always uncertain and failure of a film project is the principal risk to the company.

Key performance indicators

As none of the film projects have come to fruition, no key performance indicators are currently available.

This report was approved by the board on 23 October 2014 and signed on its behalf.

P. Nichols DIRECTOR
PETER NICHOLS

Directors' Report

For the period ended 31 March 2014

The directors present their report and the financial statements for the period ended 31 March 2014.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Results

The loss for the period, after taxation, amounted to £933,805.

Directors

The directors who served during the period were:

P Nichols (appointed 19 October 2012)

J Fields (appointed 19 October 2012)

T Smith (appointed 3 March 2014)

P Brett (appointed 3 March 2014)

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Altus Media (Two) Plc

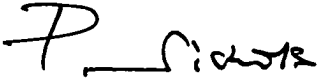
Directors' Report

For the period ended 31 March 2014

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

 PETER NICHOLS

Date: 23 October 2014

Independent Auditor's Report to the Members of Altus Media (Two) Plc

We have audited the financial statements of Altus Media (Two) Plc for the period ended 31 March 2014, which comprise the Profit and loss account, the Balance sheet, the Cash flow statement and reconciliation of net cash flow to movement in net funds and the related notes. 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 statement, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 March 2014 and of its loss for the period 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Altus Media (Two) Plc

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.

Grant Thornton UK LLP

Ann Tomkins (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

Milton Keynes

Date: *24 October 2014*

Profit and Loss Account

For the period ended 31 March 2014

	Note	2014 £
Turnover	1,2	90,000
Cost of sales		(827,652)
Gross loss		(737,652)
Administrative expenses		(196,153)
Operating loss		(933,805)
Loss on ordinary activities before taxation		(933,805)
Tax on loss on ordinary activities		-
Loss for the financial period	9	(933,805)

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 other than those included in the Profit and loss account.

The notes on pages 9 to 12 form part of these financial statements.

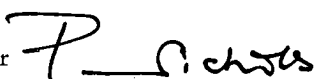
Balance Sheet

As at 31 March 2014

	Note	£	2014 £
Current assets			
Work in progress	5	457,204	
Debtors	6	506,159	
Cash at bank		2,441,919	
		<u>3,405,282</u>	
Creditors: amounts falling due within one year	7	(363,550)	
Net current assets			<u>3,041,732</u>
Net assets			<u>3,041,732</u>
Capital and reserves			
Called up share capital	8		3,975,537
Profit and loss account	9		(933,805)
Shareholders' funds	10		<u>3,041,732</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

23 October 2014

Director  PETER NICHOLS

The notes on pages 9 to 12 form part of these financial statements.

Cash Flow Statement

For the period ended 31 March 2014

	Note	2014 £
Net cash flow from operating activities	11	(1,533,618)
Cash outflow before financing		(1,533,618)
Financing	12	3,975,537
Increase in cash in the period		2,441,919

Reconciliation of Net Cash Flow to Movement in Net Funds

For the period ended 31 March 2014

	2014 £
Increase in cash in the period	2,441,919
Movement in net debt in the period	2,441,919
Net funds at 31 March 2014	2,441,919

The notes on pages 9 to 12 form part of these financial statements.

Notes to the Financial Statements

For the period ended 31 March 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

1.2 Turnover

Turnover comprises amounts invoiced for film production services, excluding value added tax.

1.3 Work in progress

Work in progress represent recoverable costs incurred in the provision of film production services. Provision is made for any costs incurred in excess of anticipated recoverable amounts. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.4 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.5 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract which evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

2. Turnover

The whole of the turnover is attributable to the principal activity of the company.

All turnover arose within the United Kingdom.

Notes to the Financial Statements

For the period ended 31 March 2014

3. Auditors' remuneration

	2014 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	2,750
Fees payable to the company's auditor and its associates in respect of:	
Preparation of the financial statements	750
Taxation compliance services	550
	<u>550</u>

4. Staff costs

The company has no employees other than the directors, who did not receive any remuneration.

5. Stocks

	2014 £
Work in progress	457,204
	<u>457,204</u>

6. Debtors

	2014 £
Amounts owed by related parties	185,000
Loans to film production companies	321,159
	<u>506,159</u>

7. Creditors: Amounts falling due within one year

	2014 £
Trade creditors	375
Amounts owed to related parties	320,719
Accruals and deferred income	42,456
	<u>363,550</u>

Notes to the Financial Statements

For the period ended 31 March 2014

8. Share capital

	2014 £
Allotted and called up	
3,975,537 Ordinary shares of £1 each	<u>3,975,537</u>

The company issued 2 £1 ordinary shares on incorporation at par. The company issued a further 3,975,535 shares throughout the period, all at par.

9. Reserves

	Profit and loss account £
Loss for the period	(933,805)
At 31 March 2014	<u>(933,805)</u>

10. Reconciliation of movement in shareholders' funds

	2014 £
Opening shareholders' funds	-
Loss for the financial period	(933,805)
Shares issued during the period	<u>3,975,537</u>
Closing shareholders' funds	<u>3,041,732</u>

11. Net cash flow from operating activities

	2014 £
Operating loss	(933,805)
Increase in stocks	(457,204)
Increase in debtors	(506,159)
Increase in creditors	363,550
Net cash outflow from operating activities	<u>(1,533,618)</u>

12. Analysis of cash flows for headings netted in cash flow statement

Notes to the Financial Statements

For the period ended 31 March 2014

	2014 £
Financing	
Issue of ordinary shares	3,975,537

13. Analysis of changes in net funds

	19 October 2012 £	Cash flow £	Other non-cash changes £	31 March 2014 £
Cash at bank and in hand	-	2,441,919	-	2,441,919
Net funds	-	2,441,919	-	2,441,919

14. Other financial commitments

The company had no financial commitments as at 31 March 2014.

15. Related party transactions

During the period the company has made and received loan advances to, and purchased services from the entities listed below, related parties by virtue of common directorship.

Loan advances are not interest bearing and are repayable on demand. Purchases relate to film and professional consultancy costs.

	Sales £	Purchases £	Loans advanced £	Balance at 31 March 2014 £
Altus Productions 5 Limited	-	(108,752)	-	(108,752)
Altus Productions 6 Limited	-	(126,967)	-	(126,967)
Altus Media (One) plc	10,000	-	-	10,000
Altus Media (Three) plc	10,000	(75,000)	200,000	135,000
Altus Media (Four) plc	10,000	(50,000)	-	(40,000)
Altus Media (Five) plc	10,000	-	-	10,000
Altus Media (Six) plc	10,000	(55,000)	-	(45,000)
Altus Media (Seven) plc	20,000	-	-	20,000
Altus Media (Eight) plc	10,000	-	-	10,000
Altus Media (Nine) plc	10,000	-	-	10,000
Prescience Film Finance Limited	-	(79,511)	-	-
Chancery (UK) LLP	-	(93,214)	-	-