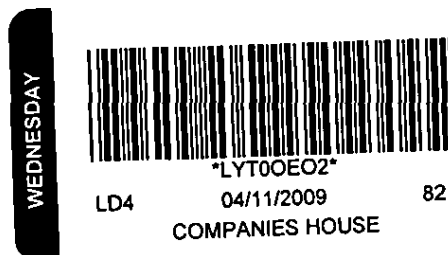


Registered number: 06558400

**1066 THE FILM PLC**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD 8 APRIL 2008 TO 30 APRIL 2009**



**BAGINSKY COHEN**

**CHARTERED ACCOUNTANTS**

**1066 THE FILM PLC**

**COMPANY INFORMATION**

**DIRECTORS**

R. JACOB  
L. PREBBLE

**COMPANY SECRETARY**

CODDAN SECRETARY SERVICES LIMITED

**COMPANY NUMBER**

06558400

**REGISTERED OFFICE**

DEPT 706  
19 - 21 CRAWFORD STREET  
LONDON  
W1H 1PJ

**AUDITORS**

BAGINSKY COHEN  
CHARTERED ACCOUNTANTS & REGISTERED AUDITORS  
930 HIGH ROAD  
LONDON  
N12 9RT

## **1066 THE FILM PLC**

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## **1066 THE FILM PLC**

### **DIRECTORS' REPORT FOR THE PERIOD ENDED 30 APRIL 2009**

The directors present their report and the financial statements for the period ended 30 April 2009. The company was incorporated on 8 April 2008.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing 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 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.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company is that of film production investment.

## **1066 THE FILM PLC**

### **DIRECTORS' REPORT FOR THE PERIOD ENDED 30 APRIL 2009 BUSINESS REVIEW**

#### **Company Performance**

1066 The Film PLC is a film financing company that has the exclusive rights to the script of '1066'. The aim of the company is to allow the very best technicians, actors and production staff the freedom to tell the story without influence. The company will enable the producers to negotiate directly with suppliers and distributors to keep costs down and potential revenues at a maximum.

The company has gained significant momentum and unparalleled interest for an independent production from within the filmmaking establishment. The producers are currently engaged in various negotiations with leading exponents of the technical and acting professions.

#### **Risk Management**

As with all businesses film production is not without risk. There is no guarantee that a specific project will become profitable. There are many famous films with 'A' list cast and crew that have struggled to break even. These are often called 'Cult Classics' and generally tend to move into profit with payments derived from licensing deals.

These licenses cover post theatre DVD production/distribution rights, terrestrial, satellite or cable broadcast rights, merchandise production/distribution and ancillary rights (distribution on cruise ships, aircraft etc.) amongst others. All film productions are considered the 'intellectual property' of the producers and, in the case of '1066', its potential shareholders.

International law dictates that these 'intellectual property' rights have a life span of a minimum of 50 years. This enables the owners of the rights to sell and re-sell the various licences (usually valid for 3-5 years) that may relate to a production again and again throughout the entire protected period. As with major movie studio libraries such as MGM, Universal, Paramount or Warner Brothers, movies made over 40 years ago continue to earn revenues decades after their initial release.

The digital age has created a significant and growing marketplace for all types of audio visual content. This content can be delivered via the Internet, mobile 3G devices or through TV-on-demand satellite or cable decoders. When coupled with the growth in access to technology in the developing world and as new formats emerge, new license classifications must be created and the potential audience for a production will increase significantly in line with these developments.

#### **RESULTS AND DIVIDENDS**

The loss for the period, after taxation, amounted to £15,749.

The directors do not recommend the payment of a dividend.

#### **DIRECTORS**

The directors who served during the period were:

R. JACOB (appointed 8 April 2008)  
L. PREBBLE (appointed 8 April 2008)

**1066 THE FILM PLC**

**DIRECTORS' REPORT  
FOR THE PERIOD ENDED 30 APRIL 2009**

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

The Company made no political or charitable donations.

**PROVISION OF INFORMATION TO AUDITORS**

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

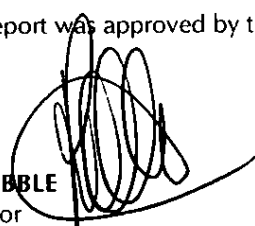
- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

**AUDITORS**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and Baginsky Cohen will therefore continue in office.

This report was approved by the board on 4 November 2009 and signed on its behalf.

**L. PREBBLE**  
Director

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end, positioned over the printed name and title of the director.

## **1066 THE FILM PLC**

### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF 1066 THE FILM PLC**

We have audited the financial statements of 1066 The Film PLC for the period ended 30 April 2009, set out on pages 6 to 11. 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 Sections 495 and 496 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 AUDITORS**

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 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.

### **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 30 April 2009 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 Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.

**1066 THE FILM PLC**

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF 1066 THE FILM 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
- 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.

 FCA

SIDNEY BAGINSKY (Senior statutory auditor)

for and on behalf of

**BAGINSKY COHEN**

CHARTERED ACCOUNTANTS

REGISTERED AUDITORS

930 HIGH ROAD

LONDON

N12 9RT

4 November 2009



**1066 THE FILM PLC**

**PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 30 APRIL 2009**

	Note	2009 £
Administrative expenses		(15,749)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(15,749)</b>
Tax on loss on ordinary activities		-
<b>LOSS FOR THE FINANCIAL PERIOD</b>		<b>(15,749)</b>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2009 other than those included in the Profit and loss account.

The notes on pages 9 to 11 form part of these financial statements.

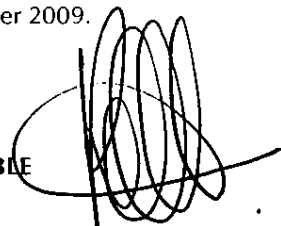
**1066 THE FILM PLC**  
**REGISTERED NUMBER: 06558400**

**BALANCE SHEET**  
**AS AT 30 APRIL 2009**

	Note	2009 £	£
<b>CURRENT ASSETS</b>			
Debtors	4	37,500	
Cash at bank		8	
		<u>37,508</u>	
<b>CREDITORS:</b> amounts falling due within one year	5	<u>(3,257)</u>	
<b>NET CURRENT ASSETS</b>			<u>34,251</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>34,251</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6		50,000
Profit and loss account			<u>(15,749)</u>
<b>SHAREHOLDERS' FUNDS</b>	7		<u>34,251</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4 November 2009.

**L. PREBBLE**  
 Director



The notes on pages 9 to 11 form part of these financial statements.

**1066 THE FILM PLC****CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 30 APRIL 2009**

	Note	2009 £
Net cash flow from operating activities	8	(50,352)
<b>CASH OUTFLOW BEFORE FINANCING</b>		<u>(50,352)</u>
Financing	9	50,360
<b>INCREASE IN CASH IN THE PERIOD</b>		<u><u>8</u></u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT  
FOR THE PERIOD ENDED 30 APRIL 2009**

	2009 £
Increase in cash in the period	8
Cash inflow from increase in debt and lease financing	(360)
<b>CHANGE IN NET DEBT RESULTING FROM CASH FLOWS</b>	<u>(352)</u>
Other non-cash changes	360
<b>MOVEMENT IN NET DEBT IN THE PERIOD</b>	<u>8</u>
<b>NET FUNDS AT 30 APRIL 2009</b>	<u><u>8</u></u>

The notes on pages 9 to 11 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 APRIL 2009**

**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 Going Concern**

The company's ability to continue trading as a going concern is dependent on the continued support of its shareholders.

**2. AUDITORS' REMUNERATION**

	2009 £
Fees payable to the company's auditor for the audit of the company's annual accounts	2,500
Fees payable to the company's auditor and its associates in respect of:	
Other services relating to taxation	250
	<u>2,750</u>

**3. STAFF COSTS**

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

**4. DEBTORS**

	2009 £
Called up share capital not paid	37,500
	<u>37,500</u>

**5. CREDITORS:  
Amounts falling due within one year**

	2009 £
Other creditors	507
Accruals and deferred income	2,750
	<u>3,257</u>

**6. SHARE CAPITAL**

	2009 £
Allotted, called up and fully paid	
50,000 Ordinary shares of £1 each	50,000
	<u>50,000</u>

**1066 THE FILM PLC****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 APRIL 2009****6. SHARE CAPITAL (continued)**

During the year 50,000 A class ordinary £1 shares were issued at par value.

**7. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

	2009 £
Opening shareholders' funds	-
Loss for the period	(15,749)
Shares issued during the period	50,000
	<hr/>
Closing shareholders' funds	34,251
	<hr/>

**8. NET CASH FLOW FROM OPERATING ACTIVITIES**

	2009 £
Operating loss	(15,749)
Increase in debtors	(37,500)
Increase in creditors	2,897
	<hr/>
Net cash outflow from operations	(50,352)
	<hr/>

**9. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT**

	2009 £
<b>Financing</b>	
Issue of ordinary shares	50,000
Loans from directors	360
	<hr/>
Net cash inflow from financing	50,360
	<hr/>

# 1066 THE FILM PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 APRIL 2009

### 10. ANALYSIS OF CHANGES IN NET DEBT

	8 April 2008 £	Cash flow £	Other non-cash changes £	30 April 2009 £
Cash at bank and in hand:	-	8	-	8
<b>Debt:</b>				
Debts due within one year	-	(360)	360	-
<b>Net funds</b>	<u>-</u>	<u>(352)</u>	<u>360</u>	<u>8</u>

### 11. CONTROLLING PARTY

In the opinion of the directors there is no ultimate controlling party.