

REGISTERED NUMBER: 0C307656 (England and Wales)

**REPORT OF THE MEMBERS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2006
FOR
FUTURE SCREEN PARTNERS 2005 NO.3 LLP**

Badger Hakim
Chartered Accountants and Registered Auditors
10 Dover Street
London
W1S 4LQ



FUTURE SCREEN PARTNERS 2005 NO.3 LLP

GENERAL INFORMATION
for the Year Ended 5 April 2006

DESIGNATED MEMBERS: Future Films (Management Services)
Limited
Future Films (Partnership Services)
Limited

REGISTERED OFFICE: 25 Noel Street
London
W1F 8GX

REGISTERED NUMBER: 0C307656 (England and Wales)

AUDITORS: Badger Hakim
Chartered Accountants and Registered Auditors
10 Dover Street
London
W1S 4LQ

FUTURE SCREEN PARTNERS 2005 NO.3 LLP

REPORT OF THE MEMBERS for the Year Ended 5 April 2006

The members present their report with the financial statements of the LLP for the year ended 5 April 2006.

CHANGE OF NAME

The LLP passed a special resolution on 3 June 2005 changing its name from Micro Fusion 2004-6 LLP to Future Screen Partners 2005 No.3 LLP.

PRINCIPAL ACTIVITY

The principal activity of the LLP in the year under review was that of acquiring and leasing films for exploitation. The LLP is currently leasing the films 'Hard Corps', 'Shadowman' and 'Second In Command'.

REVIEW OF BUSINESS

The results for the year and financial position of the LLP are as shown in the annexed financial statements.

The aim of the LLP is to exploit the collective activities, expertise and resources of the members to the advantage of the business of the LLP through acquisition of film rights, film development, production and sale and leaseback.

At the balance sheet date the LLP had completed the acquisition of three films costing £28,815,981. These films were immediately leased back to the film producers. The LLP has consequently been able to develop a sound profile in the industry and create strong relationships in all aspects of film production. When combined with reputation and experience of the designated members, this is expected to provide solid foundations for future trading.

FUTURE DEVELOPMENTS

The LLP is operating in accordance with expectations and the Designated Members have no reason to believe that there should be any significant deviation from the Members' plans.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DESIGNATED MEMBERS

The designated members during the year under review were:

Future Films (Management Services) Limited
Future Films (Partnership Services) Limited

Each Designated Member has contributed £50, but neither are entitled to share in the profits of the LLP.

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The loss for the year available for division among members was £1,624,498 (2005 - £NIL profit).

MEMBERS' INTERESTS

Payments made by members in respect of capital subscriptions are credited to the respective member's capital account. Losses suffered are permitted to be deducted from their capital accounts if not subsequently recovered by way of profits, but are retained as amounts due from members until such set off is determined by the Designated Members. Any balance standing to the credit of members' capital accounts after taking account of attributable profits and losses is otherwise repayable to members only on a winding up or upon cessation of membership by the member, subject to the discretion of the Designated Member.

FUTURE SCREEN PARTNERS 2005 NO.3 LLP

REPORT OF THE MEMBERS
for the Year Ended 5 April 2006

STATEMENT OF MEMBERS' RESPONSIBILITIES

The members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Legislation applicable to limited liability partnerships requires the members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period. In preparing those 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the financial statements comply with the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001/2005. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

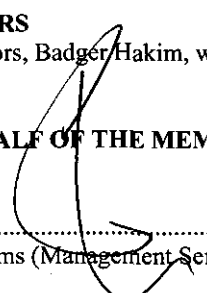
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the members are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the LLP's auditors are unaware, and each member has taken all the steps that he or she ought to have taken as a member in order to make himself or herself aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

AUDITORS

The auditors, Badger/Hakim, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE MEMBERS:


.....
Future Films (Management Services) - Designated Member

Date: 2/10/2006.....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF FUTURE SCREEN PARTNERS 2005 NO.3 LLP

We have audited the financial statements of Future Screen Partners 2005 No.3 LLP for the year ended 5 April 2006 on pages six to thirteen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the LLP's members, as a body, in accordance with Section 235 of the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001/2005. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state 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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As described on page three the LLP's members are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001/2005. We also report to you if, in our opinion, the Report of the Members is consistent with the financial statements, if the LLP has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding members' remuneration and other transactions is not disclosed.

We read the Report of the Members and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the LLP's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

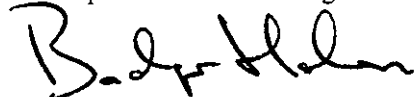
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
FUTURE SCREEN PARTNERS 2005 NO.3 LLP**

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the LLP's affairs as at 5 April 2006 and of its loss for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001/2005.

In our opinion the information given in the report of the members is consistent with the financial statements.



Badger Hakim
Chartered Accountants and Registered Auditors
10 Dover Street
London
W1S 4LQ

Date: 21/10/2006.....

FUTURE SCREEN PARTNERS 2005 NO.3 LLP

PROFIT AND LOSS ACCOUNT
for the Year Ended 5 April 2006

	Notes	Year Ended 5/4/06 £	Period 14/4/04 to 5/4/05 £
TURNOVER		-	-
Cost of sales		<u>1,624,490</u>	<u>-</u>
GROSS LOSS		(1,624,490)	-
OPERATING LOSS	3	(1,624,490)	-
Interest payable and similar charges	4	<u>8</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES	8	(1,624,498)	-
Members' remuneration charged as an expense	5	<u>-</u>	<u>-</u>
RESULTS FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	8	<u>(1,624,498)</u>	<u>-</u>

CONTINUING OPERATIONS

None of the LLP's activities were acquired or discontinued during the current year or previous period.

TOTAL RECOGNISED GAINS AND LOSSES

The LLP has no recognised gains or losses other than the loss for the current year.

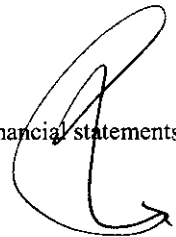
The notes form part of these financial statements

FUTURE SCREEN PARTNERS 2005 NO.3 LLP

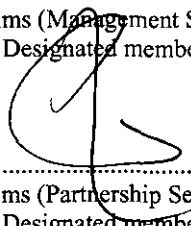
BALANCE SHEET
5 April 2006

	Notes	2006 £	2005 £
CURRENT ASSETS			
Debtors	6	55,551,295	100
Cash at bank		<u>4,958,117</u>	<u>-</u>
		60,509,412	100
CREDITORS			
Amounts falling due within one year	7	<u>30,068,841</u>	<u>-</u>
NET CURRENT ASSETS			
		<u>30,440,571</u>	<u>100</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>30,440,571</u>	<u>100</u>
MEMBERS' OTHER INTERESTS			
Equity	8	<u>30,440,571</u>	<u>100</u>
TOTAL MEMBERS' INTERESTS			
Members' other interests	8	30,440,571	100
Amounts due from members	6	<u>(1,624,498)</u>	<u>-</u>
		<u>28,816,073</u>	<u>100</u>

The financial statements were approved by the members of the LLP on 2/10/2006 and were signed by:



.....
 Future Films (Management Services)
 Limited - Designated member



.....
 Future Films (Partnership Services)
 Limited - Designated member

The notes form part of these financial statements

FUTURE SCREEN PARTNERS 2005 NO.3 LLP

CASH FLOW STATEMENT
for the Year Ended 5 April 2006

		Year Ended	Period
	Notes	5/4/06	14/4/04
		£	to
			5/4/05
			£
Net cash outflow			
from operating activities	1	(25,482,346)	(100)
Returns on investments and			
servicing of finance	2	(8)	-
Transactions with members	2	<u>30,440,471</u>	<u>100</u>
Increase in cash in the period		<u><u>4,958,117</u></u>	<u><u>-</u></u>
<hr/>			
Reconciliation of net cash flow			
to movement in net debt	3		
Increase in cash in the period		<u>4,958,117</u>	<u>-</u>
Change in net debt resulting			
from cash flows		<u>4,958,117</u>	<u>-</u>
Movement in net debt in the period		<u>4,958,117</u>	<u>-</u>
Net debt at 6 April		<u>-</u>	<u>-</u>
Net funds at 5 April		<u><u>4,958,117</u></u>	<u><u>-</u></u>

The notes form part of these financial statements

FUTURE SCREEN PARTNERS 2005 NO.3 LLP

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 5 April 2006

1. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	Year Ended 5/4/06 £	Period 14/4/04 to 5/4/05 £
Operating loss	(1,624,490)	-
Increase in debtors	(53,926,697)	(100)
Increase in creditors	<u>30,068,841</u>	<u>-</u>
Net cash outflow from operating activities	<u>(25,482,346)</u>	<u>(100)</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	Year Ended 5/4/06 £	Period 14/4/04 to 5/4/05 £
Returns on investments and servicing of finance		
Interest paid	<u>(8)</u>	<u>-</u>
Net cash outflow for returns on investments and servicing of finance	<u>(8)</u>	<u>-</u>
Transactions with members		
Equity contributions by members	<u>30,440,471</u>	<u>100</u>
Net cash inflow from transactions with members	<u>30,440,471</u>	<u>100</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 6/4/05 £	Cash flow £	At 5/4/06 £
Net cash:			
Cash at bank	<u>-</u>	<u>4,958,117</u>	<u>4,958,117</u>
	<u>-</u>	<u>4,958,117</u>	<u>4,958,117</u>
Total	<u>-</u>	<u>4,958,117</u>	<u>4,958,117</u>

The notes form part of these financial statements

FUTURE SCREEN PARTNERS 2005 NO.3 LLP

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 5 April 2006

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Amounts recoverable on contracts

Once a film has been leased to the producer, the value attributable to the lease is included in the balance sheet as an amount recoverable on contract. The amount of that attributable value is the net present value of the minimum lease payments under the contract. Each year the net present value is recomputed and the reduction in value of the lease is set off against the rental income and treated as a recovery of the leasing debt. This computation is carried out on a consistent basis year on year.

Taxation

The taxation payable on partnership profits is the personal liability of the members during the period and consequently neither taxation nor related deferred taxation are accounted for in the financial statements. Amounts retained for tax are treated in the same way as other profits of the partnership and are so included in "Members' interests" or in "Loans and other debts due to Members" depending on whether or not division of profit has occurred.

Capital contributions

Where capital contributions by partners are unpaid at the balance sheet date, but a binding commitment to contribute that capital has been given by the partner, the capital contribution is recognised as such, and the amount unpaid is shown as a debtor.

2. EMPLOYEE INFORMATION

There were no employees of the LLP during the period under review.

The Designated Members received no remuneration during the period in respect of their services to the LLP.

3. OPERATING LOSS

The operating loss is stated after charging:

	Year Ended 5/4/06 £	Period 14/4/04 to 5/4/05 £
Auditors' remuneration	3,500	-
Audit fee reimbursed under consultancy agreement	<u>(3,500)</u>	<u>-</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 5/4/06 £	Period 14/4/04 to 5/4/05 £
Bank interest	<u>8</u>	<u>-</u>

FUTURE SCREEN PARTNERS 2005 NO.3 LLP

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 5 April 2006

5. INFORMATION IN RELATION TO MEMBERS

	2006 £	2005 £
Remuneration charged as an expense	<u>-</u>	<u>-</u>

Remuneration of members refers to the contractual entitlement of members to participate in profits of the LLP.

	2006 £	2005 £
The amount of profit attributable to the member with the largest entitlement was	<u>-</u>	<u>-</u>

	2006	2005
The average number of members during the year was	<u>76</u>	<u>2</u>

6. DEBTORS:

	2006 £	2005 £
Amounts due from members	1,624,498	-
Amounts recoverable on contract	28,815,981	-
Other debtors	<u>25,110,816</u>	<u>100</u>
	<u>55,551,295</u>	<u>100</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006 £	2005 £
Trade creditors	845,989	-
Other creditors	28,815,981	-
Accrued expenses	<u>406,871</u>	<u>-</u>
	<u>30,068,841</u>	<u>-</u>

FUTURE SCREEN PARTNERS 2005 NO.3 LLP

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 5 April 2006

8. MEMBERS' INTERESTS

	Members' other interests			Loans and other debts due from members £	Total £
	Members' equity £	Reserves £	Total £		
Amount due to members				-	
Amount due from members				-	
Members' interests at 6 April 2005	30,440,571	-	30,440,571	-	30,440,571
Members' remuneration charged as an expense, including employment and retirement benefit costs				-	-
Loss for the financial year available for discretionary division among members		(1,624,498)	(1,624,498)		(1,624,498)
Members' interests after loss for the year	30,440,571	(1,624,498)	28,816,073	-	28,816,073
Allocated loss		1,624,498	1,624,498	(1,624,498)	
Amount due to members				-	
Amount due from members				(1,624,498)	
Members' interests at 5 April 2006	<u>30,440,571</u>	<u>-</u>	<u>30,440,571</u>	<u>(1,624,498)</u>	<u>28,816,073</u>

9. CONTINGENT LIABILITIES

There were no contingent liabilities at the year end (2005: £nil).

10. CAPITAL COMMITMENTS

	2006 £	2005 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>-</u>

FUTURE SCREEN PARTNERS 2005 NO.3 LLP

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 5 April 2006

11. RELATED PARTY DISCLOSURES

The designated members, Future Films (Partnership Services) Limited and Future Films (Management Services) Limited are wholly owned subsidiaries of Future Film Group Holdings Limited. The LLP has entered into a consultancy with Future Films Limited, also a subsidiary of Future Film Group Holdings Limited, Future Films Limited will reimburse certain expenditure of the LLP including banking and professional fees. Future Films Limited has also been paid a fee for co-production services from the producer on all films purchased, amounting to between 1% and 3% of the purchase price.

Future Films Limited is also entitled to 20% of any additional lease income once the LLP has received its maximum preferred recoupment. No payment of this nature was due in the period under review.

The LLP has provided security in the form of a fixed charge, a floating charge and a negative pledge over certain assets of the LLP to the Bank of Ireland in connection with borrowings by members for the purpose of making capital contributions.

12. POST BALANCE SHEET EVENTS

There are no adjusting post balance sheet events (2005: £nil).

13. CONTROLLING RELATED PARTY

The controlling related party is Future Film Group Holdings Limited by virtue of it owning 100% of the share capital of the designated member companies which have responsibility for the operational decisions of the partnership.