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**EON PRODUCTIONS LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**



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**EON PRODUCTIONS LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	James Higgins MBE Michael Wilson OBE Barbara Broccoli OBE (appointed 1 January 2016)
<b>Company secretary</b>	John Roebuck
<b>Registered number</b>	00697555
<b>Registered office</b>	Regina House 124 Finchley Road London NW3 5JS
<b>Trading Address</b>	Eon House 138 Piccadilly London W1J 7NR
<b>Independent auditors</b>	Nyman Libson Paul Chartered Accountants & Statutory Auditors Regina House 124 Finchley Road London NW3 5JS

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**EON PRODUCTIONS LIMITED**

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## **EON PRODUCTIONS LIMITED**

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### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015**

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#### **Introduction**

The principal activity of the company and its group is film production and ancillary activities.

During the year the group was involved in the production of the film "Spectre".

#### **Business review**

The directors consider the results of the group for the year to be in line with expectations. The results for the year were considered satisfactory by the directors who anticipate continued growth and profitability in the foreseeable future after the release of the film "Spectre" in October 2015.

#### **Principal risks and uncertainties**

The management of the business and the process of film production are subject to a number of risks. The key business risks and uncertainties affecting the group are considered to relate to the normal commercial risks involved in the production of a film and the delivery of it at the required time.

The principal financial instruments of the group comprise bank balances, debtors and creditors. The main purpose of these instruments is to raise funds to finance the group's operations.

In respect of bank balances, liquidity risk is managed by actively monitoring balances and ensuring that funds are in place to meet liabilities as and when they fall due.

Debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

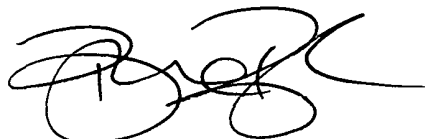
Creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Currency risk is managed by monitoring movements in exchange rates in an effort to reduce any negative impact of those movements.

#### **Financial key performance indicators**

Given the nature of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

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



**Barbara Broccoli OBE**  
Director

Date: 20 September 2016

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## **EON PRODUCTIONS LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015**

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The directors present their report and the financial statements for the year ended 31 December 2015.

#### **Directors**

The directors who served during the year were:

James Higgins MBE  
Michael Wilson OBE

#### **Results and dividends**

The profit for the year, after taxation, amounted to £777,565 (2014 - £390,838).

The company did not pay a dividend during the year.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Group 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group 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 group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Matters covered in the strategic report**

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report. These matters relate to financial instruments and future developments.

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**EON PRODUCTIONS LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**Disclosure 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 and the group'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 relevant audit information and to establish that the company and the group's auditors are aware of that information.

**Auditors**

Under section 487(2) of the Companies Act 2006, Nyman Libson Paul will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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



Barbara Broccoli OBE  
**Director**

Date: 20 September 2016

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## **EON PRODUCTIONS LIMITED**

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### **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EON PRODUCTIONS LIMITED**

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We have audited the financial statements of Eon Productions Limited for the year ended 31 December 2015, set out on pages 6 to 24. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Auditors**

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 Financial Reporting Council'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 group's and the parent 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 Group Strategic Report and the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 group's and the parent company's affairs as at 31 December 2015 and of the group's profit 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.

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**EON PRODUCTIONS LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EON PRODUCTIONS LIMITED**

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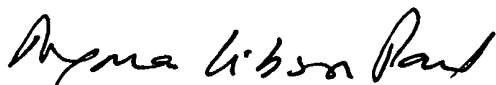
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the directors' report has been prepared in accordance with applicable legal requirements.

**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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Kenneth Dias (Senior Statutory Auditor)

for and on behalf of

**Nyman Libson Paul**

Chartered Accountants  
Statutory Auditors

Regina House  
124 Finchley Road  
London  
NW3 5JS

20 September 2016



**EON PRODUCTIONS LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £	2014 £
Turnover	4	191,755,879	6,947,323
Cost of sales		(214,169,706)	(783,643)
<b>Gross profit</b>		<b>(22,413,827)</b>	<b>6,163,680</b>
Administrative expenses		(7,249,279)	(5,687,148)
Other operating income	5	126,151	130,604
<b>Operating profit</b>	6	<b>(29,536,955)</b>	<b>607,136</b>
Amounts written off unlisted investments		(250,851)	(80,000)
Interest receivable and similar income	9	40,911	671
Interest payable and similar charges	10	-	(2,027)
<b>Profit before taxation</b>		<b>(29,746,895)</b>	<b>525,780</b>
Tax on profit	11	30,524,460	(134,942)
<b>Profit for the year</b>		<b>777,565</b>	<b>390,838</b>
<b>Profit for the financial year attributable to:</b>			
Owners of the parent company		777,565	390,838
		<u>777,565</u>	<u>390,838</u>
Owners of the parent company		777,565	390,838
		<u>777,565</u>	<u>390,838</u>

All amounts relate to continuing operations.

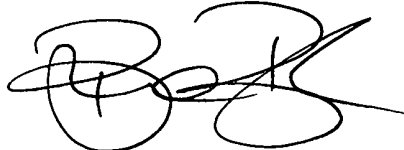
The notes on pages 12 to 24 form part of these financial statements.

**EON PRODUCTIONS LIMITED**  
**REGISTERED NUMBER: 00697555**


**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2015**

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets		360,218	362,882
Investments		50,000	360,000
		<u>410,218</u>	<u>722,882</u>
<b>Current assets</b>			
Stocks		-	41,824,178
Debtors due after more than 1 year		-	339,960
Debtors due within 1 year		5,723,724	3,206,697
Investments		283,750	614,156
Cash at bank and in hand	19	3,347,667	3,628,276
		<u>9,355,141</u>	<u>49,613,267</u>
Creditors: amounts falling due within one year	20	(8,029,659)	(49,378,014)
<b>Net current assets</b>		<u>1,325,482</u>	<u>235,253</u>
<b>Net assets</b>		<u><u>1,735,700</u></u>	<u><u>958,135</u></u>
<b>Capital and reserves</b>			
Called up share capital	21	2	2
Capital redemption reserve		2,133	2,133
Profit and loss account		1,733,565	956,000
<b>Shareholders' funds</b>		<u><u>1,735,700</u></u>	<u><u>958,135</u></u>

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



Barbara Broccoli OBE  
**Director**



James Higgins MBE  
**Director**

Date: 20 September 2016

The notes on pages 12 to 24 form part of these financial statements.

**EON PRODUCTIONS LIMITED**  
**REGISTERED NUMBER: 00697555**

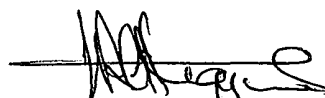
**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2015**

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	13	355,578	357,423
Investments	14	600	400
		<u>356,178</u>	<u>357,823</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	17	-	339,960
Debtors: amounts falling due within one year	17	1,696,369	582,789
Current asset investments	18	283,750	614,156
Cash at bank and in hand	19	426,347	201,928
		<u>2,406,466</u>	<u>1,738,833</u>
Creditors: amounts falling due within one year	20	(1,139,456)	(1,507,715)
<b>Net current assets</b>		<u>1,267,010</u>	<u>231,118</u>
<b>Total assets less current liabilities</b>		<u><u>1,623,188</u></u>	<u><u>588,941</u></u>
<b>Capital and reserves</b>			
Called up share capital	21	2	2
Capital redemption reserve		2,133	2,133
Profit and loss account		1,621,053	586,806
<b>Shareholders' funds</b>		<u><u>1,623,188</u></u>	<u><u>588,941</u></u>

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



Barbara Broccoli OBE  
**Director**



James Higgins MBE  
**Director**

Date: 20 September 2016

The notes on pages 12 to 24 form part of these financial statements.

**EON PRODUCTIONS LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Called up share capital	Capital redemption reserve	Profit and loss account	Equity attributable to owners of parent company	Total equity
	£	£	£	£	£
At 1 January 2015	2	2,133	956,000	958,135	958,135
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	777,565	777,565	777,565
<b>Total comprehensive income for the year</b>	-	-	777,565	777,565	777,565
<b>At 31 December 2015</b>	<b>2</b>	<b>2,133</b>	<b>1,733,565</b>	<b>1,735,700</b>	<b>1,735,700</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Called up share capital	Capital redemption reserve	Profit and loss account	Equity attributable to owners of parent company	Total equity
	£	£	£	£	£
At 1 January 2014	2	2,133	565,162	567,297	567,297
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	390,838	390,838	390,838
<b>Total comprehensive income for the year</b>	-	-	390,838	390,838	390,838
<b>At 31 December 2014</b>	<b>2</b>	<b>2,133</b>	<b>956,000</b>	<b>958,135</b>	<b>958,135</b>

The notes on pages 12 to 24 form part of these financial statements.

# EON PRODUCTIONS LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital	Capital redemption reserve	Retained earnings	Total equity
	£	£	£	£
At 1 January 2015	2	2,133	586,806	588,941
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,034,247	1,034,247
<b>Total comprehensive income for the year</b>	-	-	1,034,247	1,034,247
<b>At 31 December 2015</b>	<u>2</u>	<u>2,133</u>	<u>1,621,053</u>	<u>1,623,188</u>

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2014

	Share capital	Capital redemption reserve	Retained earnings	Total equity
	£	£	£	£
At 1 January 2014	2	2,133	674,866	677,001
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(88,060)	(88,060)
<b>Total comprehensive income for the year</b>	-	-	(88,060)	(88,060)
<b>At 31 December 2014</b>	<u>2</u>	<u>2,133</u>	<u>586,806</u>	<u>588,941</u>

The notes on pages 12 to 24 form part of these financial statements.

**EON PRODUCTIONS LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

	2015 £	2014 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	777,565	390,838
<b>Adjustments for:</b>		
Depreciation of tangible assets	107,104	91,998
Impairment of unlisted investments	300,851	-
Decrease / (increase) in stocks	41,824,178	(41,824,178)
Interest paid	-	2,027
Interest received	(40,911)	(671)
Taxation	(30,524,460)	134,942
Increase in debtors	(2,177,067)	(1,267,040)
(Decrease) / increase in creditors	(41,424,441)	46,237,392
Corporation tax	30,600,546	(424,388)
<b>Net cash generated from operating activities</b>	<u>(556,635)</u>	<u>3,340,920</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(104,440)	(67,322)
Sale of unlisted and other investments	9,149	-
Purchase of short term unlisted investments	(119,594)	(314,156)
Sale of short term unlisted investments	450,000	-
Interest received	40,911	671
<b>Net cash from investing activities</b>	<u>276,026</u>	<u>(380,807)</u>
<b>Cash flows from financing activities</b>		
Interest paid	-	(2,027)
<b>Net cash used in financing activities</b>	<u>-</u>	<u>(2,027)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	(280,609)	2,958,086
Cash and cash equivalents at beginning of year	3,628,276	670,190
<b>Cash and cash equivalents at the end of year</b>	<u>3,347,667</u>	<u>3,628,276</u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	3,347,667	3,628,276
	<u>3,347,667</u>	<u>3,628,276</u>

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## **EON PRODUCTIONS LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015**

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#### **1. General information**

Eon Productions Limited is a private company limited by shares and incorporated in the United Kingdom. The address of its registered office is Regina House, 124 Finchley Road, London, NW3 5JS and the address of its principal place of business is Eon House, 138 Piccadilly, London, W1J 7NR

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ('FRS 102') and the Companies Act 2006.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 25 for an explanation of the transition.

The financial statements are presented in Sterling (£).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### **2.2 Basis of consolidation**

The group financial statements consolidate the financial statements of Eon Productions Limited and all its subsidiary undertakings drawn up to 31 December each year.

The consolidated financial statements incorporate the financial statements of the company and its entities controlled by the group. Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

##### **2.3 Going concern**

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

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## EON PRODUCTIONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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#### 2. Accounting policies (continued)

##### 2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of all tangible fixed assets over their expected useful lives on the following basis:

Plant & Equipment	- 15% on written down value
Motor vehicles	- 25% on written down value
Fixtures & fittings	- 10% and 16.67% on cost
Computer equipment	- 50% on cost

##### 2.5 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the period of the lease.

##### 2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments held as fixed asset investments are shown at cost less provision for impairment.

##### 2.7 Stocks

Work in progress is comprised of production costs and is valued at the lower of cost and net realisable value.

##### 2.8 Debtors

Short term debtors are measured at transaction price, less any impairment.

##### 2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

##### 2.10 Creditors

Short term creditors are measured at the transaction price.



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## EON PRODUCTIONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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#### 2. Accounting policies (continued)

##### 2.11 Revenue

Turnover is measured at the fair value of the consideration received or receivable, net of value added tax. Turnover includes revenue earned from film production, recharged costs and from the sale of merchandise.

###### *Film production*

A production fee is earned during the production of each feature film and is recognised evenly over the entire production period. Once the production of the feature film has been completed, the film is sold for a price equal to the total cost of production less the amount received in respect of UK Film Tax Credits.

###### *Recharged costs*

Certain administrative costs are recharged in line with an approved contract on a quarterly basis.

###### *Merchandising income*

The company operates as a licensing agent in respect of the group's merchandising deals. The company receives the gross merchandising receipts from its worldwide agents before deducting and paying out the various amounts owed to participants in line with their contracted rates.

##### 2.12 Foreign currency translation

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates. These, and the results and financial position reported in the consolidated financial statements, are presented in Sterling (£).

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 differences are recognised in profit or loss in the period in which they arise.

Exchange differences on production costs have been offset against production advances on the balance sheet. Other exchange gains and losses are recognised in the profit and loss account.

##### 2.13 Taxation

Tax is recognised in the Income Statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company and the group operate and generate income.

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## EON PRODUCTIONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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#### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following are the group's key sources of estimation uncertainty:

##### *Tangible assets*

Tangible assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending upon a number of factors. In re-assessing the assets' lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account.

##### *Investments*

At each reporting date the investments are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected investment is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Due to the unpredictable nature of the recoverability of investments, an impairment loss may subsequently reverse. If so, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, without going in excess of the amount which would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

##### *Debtors*

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment, management considers factors including the ageing profile and historical experience of each debtor.

##### *Accruals*

The company makes an estimate of accruals at the year end based on invoices received after the year end and work undertaken which has not been invoiced based on quotations or estimates of amounts that may be due for payment.

#### 4. Analysis of turnover

In the opinion of the directors, it would seriously prejudice the company's interests to disclose the turnover by each class and provide a geographical analysis.

#### 5. Other operating income

	2015 £	2014 £
Management fees and sundry income	126,151	130,604
	<u>126,151</u>	<u>130,604</u>

# EON PRODUCTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 6. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets	107,104	91,998
Fees payable to the group's auditor and its associates for the audit of the company's annual financial statements	14,525	16,500
Exchange differences	15,139	23,866
	<u>136,768</u>	<u>132,364</u>

### 7. Employees

Staff costs, including directors' remuneration, were as follows:

	2015 £	2014 £
Wages and salaries	6,067,335	4,821,770
Social security costs	804,507	643,071
	<u>6,871,842</u>	<u>5,464,841</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2015 No.	2014 No.
Administration	20	21
Production	195	63
	<u>215</u>	<u>84</u>

The total employee benefits of the key management personnel of Eon Productions Limited and its group were £4,144,835 (2014: £3,494,998).

### 8. Directors' remuneration

	2015 £	2014 £
Directors' remuneration	1,602,041	1,497,484
	<u>1,602,041</u>	<u>1,497,484</u>

The highest paid director received remuneration of £1,575,563 (2014 - £1,471,576).

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**EON PRODUCTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**9. Interest receivable**

	2015 £	2014 £
Other interest receivable	40,911	671
	<u>40,911</u>	<u>671</u>

**10. Interest payable and similar charges**

	2015 £	2014 £
Other interest payable	-	2,027
	<u>-</u>	<u>2,027</u>

**11. Taxation**

	2015 £	2014 £
<b>Corporation tax</b>		
Current tax on profits for the year	(30,524,460)	134,942
	<u>(30,524,460)</u>	<u>134,942</u>
Double taxation relief	(31,485)	(9,415)
	<u>(30,555,945)</u>	<u>125,527</u>
<b>Foreign tax</b>		
Foreign tax on income for the year	31,485	9,415
	<u>31,485</u>	<u>9,415</u>
<b>Total current tax</b>	<u>(30,524,460)</u>	<u>134,942</u>

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**EON PRODUCTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**11. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2014 - higher than) the standard rate of corporation tax in the UK of 20.25% (2014 - 21%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	(29,746,895)	525,780
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2014 - 21%)	(5,949,379)	110,414
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	11,325	9,866
Depreciation and loss on disposal of assets	21,421	19,320
Capital allowances	(28,883)	(24,553)
Amount written back off investments	50,370	16,800
Alignment of tax rates	2,346	3,095
Enhanced losses arising from UK Film Tax Credit	(24,586,660)	-
Difference between the rate of corporation tax and the rate of relief under UK Film Tax Credit	(45,000)	-
<b>Total tax charge for the year</b>	<b>(30,524,460)</b>	<b>134,942</b>

**12. Parent company Profit for the year**

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent company for the year was £1,034,247 (2014 - loss £88,060).

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**EON PRODUCTIONS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

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**13. Tangible fixed assets**

**Group**

	Motor vehicles £	Plant, equipment & fixtures £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2015	32,500	1,661,479	123,457	1,817,436
Additions	-	42,566	61,874	104,440
Disposals	-	-	(7,871)	(7,871)
At 31 December 2015	<u>32,500</u>	<u>1,704,045</u>	<u>177,460</u>	<u>1,914,005</u>
<b>Depreciation</b>				
At 1 January 2015	25,747	1,322,934	105,873	1,454,554
Charge owned for the period	1,688	56,895	48,521	107,104
Disposals	-	-	(7,871)	(7,871)
At 31 December 2015	<u>27,435</u>	<u>1,379,829</u>	<u>146,523</u>	<u>1,553,787</u>
<b>Net book value</b>				
At 31 December 2015	<u>5,065</u>	<u>324,216</u>	<u>30,937</u>	<u>360,218</u>
At 31 December 2014	<u>6,753</u>	<u>338,545</u>	<u>17,584</u>	<u>362,882</u>

**EON PRODUCTIONS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015**

**Company**

	Motor vehicles £	Plant, equipment & fixtures £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2015	32,500	1,644,495	115,586	1,792,581
Additions	-	42,566	61,874	104,440
At 31 December 2015	32,500	1,687,061	177,460	1,897,021
<b>Depreciation</b>				
At 1 January 2015	25,747	1,311,409	98,002	1,435,158
Charge owned for the period	1,688	56,076	48,521	106,285
At 31 December 2015	27,435	1,367,485	146,523	1,541,443
At 31 December 2015	5,065	319,576	30,937	355,578
At 31 December 2014	6,753	333,086	17,584	357,423

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EON PRODUCTIONS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2015

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14. Fixed asset investments

Group

Other fixed  
asset  
investments  
£

Cost or valuation

At 1 January 2015

360,000

Disposals

(9,149)

At 31 December 2015

350,851

Impairment

Charge for the period

300,851

At 31 December 2015

300,851

Net book value

At 31 December 2015

50,000

At 31 December 2014

360,000

Company

Investments  
in subsidiary  
companies  
£

Cost or valuation

At 1 January 2015

400

Additions

200

At 31 December 2015

600

Net book value

At 31 December 2015

600

At 31 December 2014

400



# EON PRODUCTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 15. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
The Eon Screen Writers' Workshop Limited	England and Wales	100	Artistic & literary creation
Chariots ABZ Limited	England and Wales	100	Dormant
B23 Limited	England and Wales	100	Film production
B24 Limited	England and Wales	100	Film production
B25 Limited	England and Wales	100	Film Production
Frozen Film Company Limited	England and Wales	100	Dormant

### 16. Stocks

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Film production costs	-	41,824,178	-	-
	-	41,824,178	-	-

### 17. Debtors

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
<b>Due after more than one year</b>				
Other debtors	-	339,960	-	339,960
	-	339,960	-	339,960
<b>Due within one year</b>				
Trade debtors	366,879	64,793	366,879	64,793
Other debtors	4,433,670	2,753,915	406,315	130,007
Prepayments and accrued income	923,175	387,989	923,175	387,989
	5,723,724	3,206,697	1,696,369	582,789

# EON PRODUCTIONS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

### 18. Current asset investments

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Unlisted investments	283,750	614,156	283,750	614,156
	<u>283,750</u>	<u>614,156</u>	<u>283,750</u>	<u>614,156</u>

### 19. Cash and cash equivalents

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Cash at bank and in hand	3,347,667	3,628,276	426,347	201,928
	<u>3,347,667</u>	<u>3,628,276</u>	<u>426,347</u>	<u>201,928</u>

### 20. Creditors: Amounts falling due within one year

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Trade creditors	548,206	246,252	548,206	246,252
Corporation tax	102,689	26,603	102,689	26,603
Taxation and social security	4,135,734	864,849	433,293	-
Other creditors	3,227,255	48,203,765	40,268	1,199,815
Accruals and deferred income	15,775	36,545	15,000	35,045
	<u>8,029,659</u>	<u>49,378,014</u>	<u>1,139,456</u>	<u>1,507,715</u>

### 21. Share capital

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
201 Ordinary shares of £0.01 each	<u>2</u>	<u>2</u>

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## EON PRODUCTIONS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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#### 22. Commitments under operating leases

At 31 December 2015 the group and the company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Not later than 1 year	333,300	333,300	333,300	333,300
Later than 1 year and not later than 5 years	497,532	591,032	497,532	591,032
Later than 5 years	139,883	379,683	139,883	379,683
<b>Total</b>	<b>970,715</b>	<b>1,304,015</b>	<b>970,715</b>	<b>1,304,015</b>

#### 23. Related party transactions

Turnover includes £189,292,356 (2014: £5,745,829) arising from transactions with Danjaq LLC, a company whose directors are closely connected with the directors of Eon Productions Limited. The amount due from Danjaq LLC at the balance sheet date was £338,908 (2014: £1,170,673 due to Danjaq LLC).

Eon Productions Limited paid rent totalling £312,500 (2014: £257,671) to Audley Productions Inc, a company whose directors are closely connected with the directors of Eon Productions Limited. Eon Productions Limited received £51,851 (2014: £65,717) of management and other fees from Audley Productions Inc.

Eon Productions Limited has a cross guarantee with the bankers of B23 Limited and B24 Limited.

The company is exempt from disclosing other related party transactions as they are with companies which are wholly owned within the group.

#### 24. Post balance sheet events

Since the balance sheet date, the company has acquired an 100% shareholding in a newly incorporated subsidiary, Bad and Beautiful Productions Limited. In addition, Chariots ABZ Limited has been dissolved.

#### 25. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

#### 26. Controlling party

The company is under the control of Barbara Broccoli OBE and Michael Wilson OBE. There is no ultimate controlling party.