

Company Registration No. 5912284

Dazzleship Limited

Report and Financial Statements

**Period from 1 September 2007 to
31 December 2008**

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Dazzleship Limited

Report and financial statements 2008

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Dazzleship Limited

Report and financial statements 2008

Officers and professional advisers

Directors

J L Foster
S H George
N S Jones
G Millar
L Munday
N Sharrocks

Secretary

J L Foster

Registered Office

Parker Tower
43-49 Parker Street
London
WC2B 5PS

Auditors

Deloitte LLP
Chartered Accountants and Registered Auditors
London

Dazzleship Limited

Directors' report

The director presents their annual report and the audited financial statements for the period from the 1 September 2007 to 31 December 2008.

Principal activity, business review and future developments

The principal activity of the Company is the creation and management of entertainment content and creative production. The company commenced trading in November 2007. On 21 October 2008 the company changed its accounting reference date to 31 December.

As shown in the company's profit and loss accounts on page 7, the company's turnover is £135,694 and the trading loss after taxation for the period was £244,853.

The balance sheet on page 8 of the financial statements shows the company's financial position which consists principally of trade debtors and trade creditors.

There have been no significant events since the balance sheet date that require adjustment to, or disclosure in the financial statements.

The company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business.

Management of key risks

The directors have identified the following potential risks and uncertainties that could have a material impact on the company's performance, and has put in place internal processes and controls designed to mitigate each risk. The company's results could also be impacted by other factors. The risk factors detailed below should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties facing the company.

Risk factors	Internal processes and controls
Adverse economic, political and legal environments	Regular monitoring of market trends Detailed planning process and appropriate contingency plans
Retention of key talent	Provide rewarding employment experience
Competitive pressures	Investment in products and services Client satisfaction surveys Continual training of staff
Financial controls	Internal control review and assessment process Director' annual confirmations Detailed budgeting and forecasting procedures
Credit risk	Efficient credit control function including credit insurance where appropriate Client acceptance procedures
Business continuity and disaster recovery	Build in resilience where cost effective Business continuity plan Regular testing of plan

Dazzleship Limited

Directors' report

Payment of suppliers

The company agrees terms and conditions for its business transactions with suppliers. Payment is then made on these terms subject to the terms and conditions being met by the supplier.

Financial risk

The directors consider that the only significant financial risk to the company is credit risk and liquidity risk. The company's principal assets subject to credit risk are cash, trade debtors and inter-company debtors. The company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

The company has no significant concentration of credit risk or liquidity risk with exposure spread over a number of counterparties and customers or with other group companies who are able to repay these balances if required.

The company does not use derivative financial instruments.

Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

The directors appointed Deloitte LLP as auditors on 17 October 2007. Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

J L Foster
Secretary
5 May 2009



Dazzleship Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that 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 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of Dazzleship Limited

We have audited the financial statements of Dazzleship Limited for the period from the 1 September 2007 to 31 December 2008 which comprises the profit and loss account, the balance sheet, cash flow statement and the related notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the financial statements in accordance with applicable United Kingdom law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom 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. We also report to you whether, in our opinion, the information given within the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company 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 directors' remuneration and other transactions is not disclosed.

We read the directors' report 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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.

Independent auditors' report to the members of Dazzleship Limited (continued)

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 company's affairs as at 31 December 2008 and of its loss for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



Deloitte LLP
Chartered Accountants and Registered Auditors
London, United Kingdom

5th May 2009

Dazzleship Limited

Profit and loss account

Period from 1 September 2007 to 31 December 2008

		16 Months to 31 December 2008	Period from 21 August 2006 to 31 August 2007
	Notes	£	£
Turnover	1	135,694	-
Cost of sales		(99,917)	-
Gross profit		35,777	-
Administrative expenses		(364,846)	-
Operating loss	2	(329,069)	-
Interest payable and similar charges	4	(11,021)	-
Loss on ordinary activities before taxation		(340,090)	-
Tax credit on loss on ordinary activities	5	95,237	-
Loss on ordinary activities after taxation	10	(244,853)	-

All amounts relate to continuing operations.

There are no recognised gains or losses other than the retained loss for the period; accordingly, no statement of total recognised gains and losses is presented.

There is no difference between the loss on ordinary activities before taxation and their historical cost equivalents.

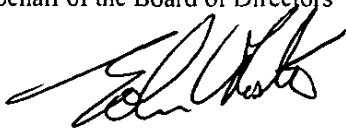
Dazzleship Limited

Balance sheet 31 December 2008

	Notes	31 December 2008 £	31 August 2008 £
Fixed assets			
Tangible assets	6	1,808	-
Current assets			
Debtors	7	208,141	2
Cash at bank and in hand		48	-
		<u>208,189</u>	<u>2</u>
Creditors: amounts falling due within one year	8	<u>(454,651)</u>	<u>-</u>
Net current (liabilities)/assets		<u>(246,462)</u>	<u>2</u>
Total assets less current liabilities		<u>(244,654)</u>	<u>2</u>
Capital and reserves			
Called up share capital	9	199	2
Profit and loss account	10	<u>(244,853)</u>	<u>-</u>
Shareholders' deficit funds	11	<u>(244,654)</u>	<u>2</u>

These financial statements were approved by the Board of Directors on 5 May 2009

Signed on behalf of the Board of Directors



J L Foster
Director

Dazzleship Limited

Cash flow statement

Period from 1 September 2007 to 31 December 2008

		16 Months to 31 December 2008	Period from 21 August 2006 to 31 August 2007
	Notes	£	£
Net cash outflow from operating activities	12	(54,782)	-
Taxation	13	57,788	-
Capital expenditure and financial investment	13	(2,958)	-
		<hr/>	<hr/>
Cash inflow before and after financing		48	-
Cash at beginning of period		-	-
		<hr/>	<hr/>
Cash at end of period		48	-
		<hr/>	<hr/>

Dazzleship Limited

Notes to the accounts

Period from 1 September 2007 to 31 December 2008

1. Accounting policies

The accounting policies below have been applied on a consistent basis in the current period.

Going concern

The company's business activities are set out in the Directors' Report

The financing of the company's activities is provided by amounts owed to the parent company. The continuing support of the parent has been confirmed through the issue of a letter of support, confirming it will not seek repayment of these amounts for at least 12 months from the date of signature of these financial statements.

Based on the information set out above the Directors believe that it is appropriate to prepare these financial statements on the going concern basis.

Accounting convention

The financial statements are prepared under the historical cost convention.

Turnover and recognition of income

Turnover comprises the net amounts billed to clients, excluding value added taxes, for services provided in the normal course of business. Revenue is recognised on the satisfactory completion of a specific phase of a project. Provision is made for losses on a project when identified. Invoices raised during the course of a project are booked as deferred income on the balance sheet until such a time as the related revenue has been earned and recognised in the profit and loss account.

Tangible fixed assets

Tangible fixed assets are stated at cost net of any depreciation and provision for impairment.

Depreciation on fixed assets is provided at rates to write off the cost or revalued amounts less estimated residual value, of each asset over its expected useful life as follows:

Computer	over 3 years on a straight line basis
Office equipment, fixtures and fittings	over 3 years on a straight line basis

Foreign currencies

Transactions in foreign currencies are translated into sterling at average monthly rates of exchange. Balance sheet amounts are translated at closing rates. Exchange differences arising in the normal course of trading and on the translation of monetary assets and liabilities are dealt with in the profit and loss account.

Taxation

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

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Dazzleship Limited

Notes to the accounts

Period from 1 September 2007 to 31 December 2008

2. Operating loss

Operating loss is stated after charging:

	Period from 1 September 2007 to 31 December 2008 £	Period from 21 August 2006 to 31 August 2007 £
Auditors' remuneration - fees for the audit of the company's annual accounts	5,000	-
Depreciation of owned tangible fixed assets	1,150	-
	<u>6,150</u>	<u>-</u>

3. Staff costs

Particulars of employees as shown below:

	Period from 1 September 2007 to 31 December 2008 £	Period from 21 August 2006 to 31 August 2007 £
Wages and salaries	295,852	-
Social security costs	36,141	-
Pension costs	-	-
	<u>331,993</u>	<u>-</u>

The average number of persons employed by the company during the period was 2 (2007:2).

Directors' remuneration

No individual director received remuneration in aggregate greater than £200,000 in the current period. The directors were the only employees of the company therefore their total remuneration is disclosed above.

4. Interest payable and similar charges

	Period from 1 September 2007 to 31 December 2008 £	Period from 21 August 2006 to 31 August 2007 £
Interest payable to Aegis Media Limited	11,021	-
	<u>11,021</u>	<u>-</u>

Dazzleship Limited

Notes to the accounts

Period from 1 September 2007 to 31 December 2008

5. Tax on loss on ordinary activities

	Period from 1 September 2007 to 31 December 2008 £	Period from 21 August 2006 to 31 August 2007 £
Current tax:		
Corporation tax credit – current	95,147	-
Deferred tax	90	-
Credit to profit and loss account	92,237	-

Factors affecting current tax credit

The tax credit assessed for the period is lower than that resulting from applying the standard rate of corporation tax. The differences are explained below:

	Period from 1 September 2007 to 31 December 2008 £	Period from 21 August 2006 to 31 August 2007 £
Loss on ordinary activities before taxation	(340,090)	-
Tax charge at 29.17% (2007:30%) thereon:	99,204	-
Expenses disallowed for tax purposes	(3,964)	-
Excess of depreciation over capital allowances	(93)	-
Current tax charge	95,147	-

Dazzleship Limited

Notes to the accounts

Period from 1 September 2007 to 31 December 2008

5. Tax loss on ordinary activities (continued)

	Period from 1 September 2007 to 31 December 2008	Period from 21 August 2006 to 31 August 2007
	£	£
Deferred tax liability		
Provision at beginning of period	-	-
Charge for the period	90	-
	<u>90</u>	<u>-</u>
Balance at end of the period	<u>90</u>	<u>-</u>

6. Tangible fixed assets

	31 December 2008	31 August 2007
	£	£
Cost		
At 1 September 2007	-	-
Additions	2,958	-
	<u>2,958</u>	<u>-</u>
At 31 December 2008	<u>2,958</u>	<u>-</u>
Accumulated depreciation		
At 1 September 2007	-	-
Charge for the period	1,150	-
	<u>1,150</u>	<u>-</u>
At 31 December 2008	<u>1,150</u>	<u>-</u>
Net book value		
At 31 December 2008	<u>1,808</u>	<u>-</u>
At 31 August 2007	<u>-</u>	<u>-</u>

7. Debtors

	31 December 2008	31 August 2007
	£	£
Amounts falling due with one year:		
Trade debtors	170,493	-
Corporation tax receivable	37,359	-
Deferred tax asset (refer to note 5)	90	-
Other debtors	199	2
	<u>208,141</u>	<u>2</u>

Dazzleship Limited

Notes to the accounts

Period from 1 September 2007 to 31 December 2008

8. Creditors: amounts falling due within one year

	31 December 2008 £	31 August 2007 £
Amounts owed to Aegis Media Limited	248,919	-
VAT payable	28,896	-
Other creditors	580	-
Accruals and deferred income	176,256	-
	<u>454,651</u>	<u>-</u>

9. Called up share capital

	31 December 2008 £	31 August 2007 £
Authorised:		
1000 Ordinary shares	-	1,000
500 A ordinary shares of £1 each	500	-
500 B ordinary shares of £1 each	500	-
	<u>1,000</u>	<u>1,000</u>
Allotted, called-up and fully paid		
49 A Ordinary shares of £1 each	49	2
150 B Ordinary shares of £1 each	150	-
	<u>199</u>	<u>2</u>

On 17 December 2007 the company changed the authorised share capital of 1,000 ordinary shares into 500 A ordinary shares of £1 each and 500 B ordinary shares of £1 each. The A and B ordinary shares rank pari passu in all respects. The company allotted 47 A ordinary shares with a nominal value of £1 and 150 B ordinary shares with a nominal value of £1.

10. Profit and loss account

	31 December 2008 £	31 August 2007 £
At beginning of period	-	-
Loss for the financial period	(244,853)	-
At end of period	<u>(244,853)</u>	<u>-</u>

Dazzleship Limited

Notes to the accounts

Period from 1 September 2007 to 31 December 2008

11. Reconciliation of movements in shareholders' (deficit)/funds

	31 December 2008 £	31 August 2007 £
Share issues	197	2
Loss attributable to shareholders	(244,853)	-
Dividends paid on equity shares	-	-
	<u> </u>	<u> </u>
Net movement in shareholders' (deficit)/funds	(244,656)	2
Shareholders' funds at beginning of period	2	-
	<u> </u>	<u> </u>
Shareholders' (deficit)/funds at end of period	<u>(244,654)</u>	<u>2</u>

12. Reconciliation of operating loss to operating cash flows

	31 December 2008 £	31 August 2007 £
Operating loss	(329,069)	-
Depreciation and amortisation	1,150	-
Increase in debtors	(170,493)	-
Increase in creditors	443,630	-
	<u> </u>	<u> </u>
Net cash outflow from operating activities	<u>(54,782)</u>	<u>-</u>

13. Analysis of cash flows

	31 December 2008 £	31 August 2007 £
Returns on investments and servicing finance		
Taxation		
UK Corporation tax	57,788	-
	<u> </u>	<u> </u>
Capital expenditure and financial investments		
Purchase of tangible fixed assets	(2,958)	-
	<u> </u>	<u> </u>

Dazzleship Limited

Notes to the accounts

Period from 1 September 2007 to 31 December 2008

14. Related party transactions

Transactions during the year and balances at the year end with group companies were as follows:

	31 December 2008 £	31 August 2007 £
Amounts owed to Aegis Media Limited	<u>248,919</u>	<u>-</u>

15. Financial commitments

The Company had no capital commitments as at 31 December 2008 (2007: nil).

16. Ultimate holding company

The company's immediate parent company is Aegis Media Limited, a company incorporated in Great Britain and registered in England and Wales. The smallest group in which the results of the company are consolidated is headed by Aegis Media Limited. The consolidated accounts of Aegis Media Limited may be obtained from Aegis Media Limited, Parker Tower, 43-45 Parker Street, London, WC2B 5PS.

The largest group in which the results of the company are consolidated is that headed by Aegis Group plc, the ultimate parent company and controlling entity, which is incorporated in Great Britain and registered in England and Wales. The consolidated accounts of Aegis Group plc are available to the public and may be obtained from Aegis Group plc, 180 Great Portland Street, London W1W 5QZ.