

Company Registration No. 08463295 (England and Wales)

Foodles Production (UK) Limited

**Annual report and financial statements
for the period ended 15 November 2014**

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Foodles Production (UK) Limited

Company information

Directors

R Haywood
M Reed
P Wiley

Company number

08463295

Registered office

3 Queen Caroline Street
Hammersmith
London
W6 9PE

Independent auditors

Saffery Champness
Lion House
Red Lion Street
London
WC1R 4GB

Foodles Production (UK) Limited

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Foodles Production (UK) Limited

Strategic report

For the period ended 15 November 2014

The directors present their strategic report for the period ended 15 November 2014.

Review of the business

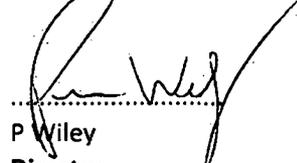
During the period the company was involved in the production of a film. The company incurred a loss before tax of £15,926,884 (May 2014: £7,999,617) during the period and at period end had net assets of £33,801 (May 2014: £14,061).

The directors have reviewed the risks and resultant uncertainties facing the business as being the ability to secure future contracts. However, the ultimate parent company has provided sufficient assurances that it will continue to support the company and provide the necessary finances for its future operations.

The directors consider the company's key financial performance indicator to be whether the film is completed in line with the production budget. At the period end the estimated total cost was within budget.

The directors consider the company's key non-financial performance indicator to be whether the film is certified as British. This is likely to be achieved, as the film has been awarded an Interim British Film Certificate, and the directors expect the film to be awarded a Final British Film Certificate when the film is complete.

On behalf of the board



.....
P Wiley
Director
17/11/15
.....

Foodles Production (UK) Limited

Directors' report

For the period ended 15 November 2014

The directors present their report and financial statements for the period ended 15 November 2014.

Principal activities

The principal activity of the company was that of motion picture production.

Results and dividends

The results for the period are set out on page 6.

The profit for the period amounted to £19,740 (May 2014: £14,060). The directors have not recommended a dividend.

Directors

The following directors have held office since 11 May 2014:

R Haywood

M Reed

P Wiley

Auditors

The auditors, Saffery Champness, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Foodles Production (UK) Limited

Directors' report (continued)

For the period ended 15 November 2014

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:

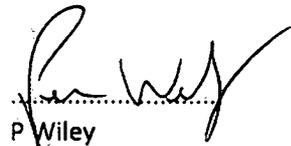
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



P Wiley

Director

17/11/15

Foodles Production (UK) Limited

Independent auditors' report

To the members of Foodles Production (UK) Limited

We have audited the financial statements of Foodles Production (UK) Limited for the period ended 15 November 2014 set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 set out on pages 2 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's 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. In addition, we read all the financial and non-financial information in the Annual 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 company's affairs as at 15 November 2014 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Foodles Production (UK) Limited

Independent auditors' report (continued)

To the members of Foodles Production (UK) Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



John Graydon (Senior Statutory Auditor)
for and on behalf of Saffery Champness

.....18/3/15.....

Chartered Accountants
Statutory Auditors

Lion House
Red Lion Street
London
WC1R 4GB

Foodles Production (UK) Limited

Profit and loss account

For the period ended 15 November 2014

		Period ended 15 November 2014 £	Period ended 10 May 2014 £
Turnover	2	73,198,812	50,449,592
Cost of sales		<u>(89,107,696)</u>	<u>(58,431,209)</u>
Gross loss		(15,908,884)	(7,981,617)
Administrative expenses		<u>(18,000)</u>	<u>(18,000)</u>
Loss on ordinary activities before taxation	3	(15,926,884)	(7,999,617)
Tax on loss on ordinary activities	5	<u>15,946,624</u>	<u>8,013,677</u>
Profit for the period	9	<u>19,740</u>	<u>14,060</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

The notes on pages 8 to 13 form part of these financial statements.

Foodles Production (UK) Limited

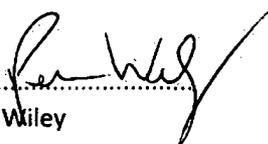
Balance sheet

As at 15 November 2014

	Notes	£	As at 15 November 2014 £	£	As at 10 May 2014 £
Current assets					
Debtors	6	32,962,753		13,763,894	
Cash at bank and in hand		2,013,456		3,199,364	
		<u>34,976,209</u>		<u>16,963,258</u>	
Creditors: amounts falling due within one year	7	<u>(34,942,408)</u>		<u>(16,949,197)</u>	
Total assets less current liabilities			<u>33,801</u>		<u>14,061</u>
Capital and reserves					
Called up share capital	8		1		1
Profit and loss account	9		<u>33,800</u>		<u>14,060</u>
Shareholders' funds	10		<u>33,801</u>		<u>14,061</u>

The notes on pages 8 to 13 form part of these financial statements.

Approved by the Board and authorised for issue on 17/3/15


P. Wiley
Director

Company Registration No. 08463295

Foodles Production (UK) Limited

Notes to the financial statements

For the period ended 15 November 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.3 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.4 Turnover

In respect of long-term contracts for on-going services, turnover represents the value of work done in the period, including estimates of amounts not invoiced. Value of work done in respect of long-term contracts and contracts for on-going services is determined by reference to the stage of completion.

1.5 Foreign currency translation

Where a transaction denominated in a foreign currency is to be settled at a contracted rate of exchange, the transaction is recorded at the rate fixed under the terms of the contract. Where a trading transaction is covered by a related or matching contract, the rate of exchange specified in the contract is used. In cases where there is not a contracted rate then transactions are recorded at the rates of exchange ruling at the dates of the transactions or at an average rate for the period if the rates do not fluctuate significantly.

Monetary assets and liabilities are translated at period end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. The resulting exchange rate differences are charged to the profit and loss account.

Foodles Production (UK) Limited

Notes to the financial statements (continued)

For the period ended 15 November 2014

2 Turnover

	Period ended 15 November 2014 £	Period ended 10 May 2014 £
Geographical market		
United States of America	73,198,812	50,449,592
	<u>73,198,812</u>	<u>50,449,592</u>

3 Operating loss

	Period ended 15 November 2014 £	Period ended 10 May 2014 £
Operating loss is stated after charging:		
Auditors remuneration for audit services	10,000	10,000
Auditors remuneration for non audit services	8,000	10,000
	<u>10,000</u>	<u>10,000</u>

Foodles Production (UK) Limited

Notes to the financial statements (continued)

For the period ended 15 November 2014

4 Employees

Number of employees

The average monthly number of employees (including directors) during the period was:

	Period ended 15 November 2014 Number	Period ended 10 May 2014 Number
Production	<u>258</u>	<u>128</u>
Employment costs	Period ended 15 November 2014 £	Period ended 10 May 2014 £
Wages and salaries	10,080,861	5,335,087
Social security costs	<u>1,135,386</u>	<u>639,719</u>
	<u>11,216,247</u>	<u>5,974,806</u>

During the period there were no emoluments paid to the directors of the company.

Foodles Production (UK) Limited

Notes to the financial statements (continued)

For the period ended 15 November 2014

5 Taxation	Period ended 15 November 2014 £	Period ended 10 May 2014 £
Domestic current year tax		
U.K. corporation tax	(15,946,624)	(8,013,677)
Total current tax	<u>(15,946,624)</u>	<u>(8,013,677)</u>
Factors affecting the tax credit for the period		
Loss on ordinary activities before taxation	<u>(15,926,884)</u>	<u>(7,999,617)</u>
Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2014 - 22.82%)	(3,344,646)	<u>(1,825,513)</u>
Effects of:		
Enhanced losses arising from the film tax credit	(12,431,106)	(7,318,078)
Difference between the rate of corporation tax and the rate of relief under the film tax credit	(252,669)	1,129,914
Tax losses carried forward	<u>81,797</u>	<u>-</u>
	<u>(12,601,978)</u>	<u>(6,188,164)</u>
Current tax credit for the period	<u>(15,946,624)</u>	<u>(8,013,677)</u>
 6 Debtors	 As at 15 November 2014 £	 As at 10 May 2014 £
Amounts owed by parent and fellow subsidiary undertakings	5,024,241	455,748
Corporation tax	15,946,624	8,013,677
Other debtors	11,991,888	4,003,007
Prepayments and accrued income	<u>-</u>	<u>1,291,462</u>
	<u>32,962,753</u>	<u>13,763,894</u>

Foodles Production (UK) Limited

**Notes to the financial statements (continued)
For the period ended 15 November 2014**

7	Creditors: amounts falling due within one year	As at 15 November 2014 £	As at 10 May 2014 £
	Trade creditors	347,006	1,990,499
	Amounts owed to parent and fellow subsidiary undertakings	32,039,729	12,335,391
	Accruals and deferred income	2,555,673	2,623,307
		<u>34,942,408</u>	<u>16,949,197</u>
8	Share capital	As at 15 November 2014 £	As at 10 May 2014 £
	Allotted, called up and fully paid		
	1 Ordinary share of £1 each	<u>1</u>	<u>1</u>
9	Statement of movements on profit and loss account		Profit and loss account £
	Balance at 11 May 2014		14,060
	Profit for the period		19,740
	Balance at 15 November 2014		<u>33,800</u>

Foodles Production (UK) Limited

Notes to the financial statements (continued)

For the period ended 15 November 2014

10 Reconciliation of movements in shareholders' funds	Period ended 15 November 2014 £	Period ended 10 May 2014 £
Profit for the financial period	19,740	14,060
Proceeds from issue of shares	1	1
	<hr/>	<hr/>
Net addition to shareholders' funds	19,741	14,061
Opening shareholders' funds	14,061	-
	<hr/>	<hr/>
Closing shareholders' funds	<u>33,801</u>	<u>14,061</u>

11 Control

The immediate parent undertaking is LFL Productions Limited, a company registered in England and Wales.

The smallest and largest group in which the results of the company are consolidated is that headed by its ultimate parent undertaking, The Walt Disney Company, a company incorporated in the United States of America. Copies of group accounts of The Walt Disney Company can be obtained from 500 Buena Vista Street, Burbank, California, 91521, USA.

The directors are unable to identify the ultimate controlling party of The Walt Disney Company, if any.

12 Related party relationships and transactions

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions.