

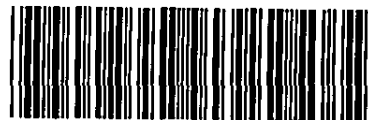
Registered number  
03190273

Footwork Productions Limited

Abbreviated Accounts

31 December 2010

FRIDAY



\*L4AZLXZF\*  
L10 30/09/2011 1  
COMPANIES HOUSE

**Footwork Productions Limited**  
**Abbreviated Accounts**  
**Contents**

	<b>Page</b>
Company information	<b>I</b>
Directors' report	<b>2 - 3</b>
Independent auditor's report	<b>4</b>
Profit and loss account	<b>5</b>
Balance sheet	<b>6</b>
Notes to the abbreviated accounts	<b>7</b>

**Footwork Productions Limited**  
**Company Information**

**Directors**

A Thompson  
A Adams  
D Beckham

**Secretary**

V C Beckham

**Auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Cambridge

**Bankers**

Coutts & Co  
440 Strand  
London  
WC2R 0QS

**Solicitors**

Lee & Thompson LLP  
4 Gee's Court  
St Christopher's Place  
London  
W1U 1JD

**Registered office**

Hill House  
1 Little New Street  
London  
EC4A 3TR

**Registered number**

03190273

## **Footwork Productions Limited**

**Registered number:** 03190273

### **Directors' Report**

The directors present their report and financial statements for the year ended 31 December 2010

#### **Principal activities**

The company's principal activity during the year was the exploitation of David Beckham's name and image rights

#### **Review of the business**

The directors are satisfied with the results for the year which show an increase in turnover to £14,917,615 and an increase in profit before tax of £293,814 to £363,490

During the year ended 31 December 2010 a number of agreements were concluded. The directors anticipate a sustained level of endorsement income as the company expands into new territories during 2011 and 2012

The company continues to exploit all image opportunities that it feels are beneficial to the overriding business strategy

#### **Financial instrument risk**

The company's principal financial assets are bank balances, short-term cash deposits and trade debtors. The company's credit risk is primarily attributable to trade debtors. However, due to the nature of the company's customers and types of contracts, the company has no significant concentration of credit risk

As the company enters into contracts denominated in euros and US dollars, it is exposed to financial risk of changes in the rates of foreign currency. With the global nature of its business the company accepts that it is exposed to a level of foreign exchange risk. It is the company's policy to continually monitor exchange rate movements and take appropriate action where necessary

#### **Dividends**

The profit for the year, after taxation, amounted to £200,030 (2009 - £15,382)

The company paid no dividends during the year (2009 - nil)

#### **Directors**

The following persons served as directors throughout the year

A Thompson  
A Adams  
D Beckham

#### **Disclosure of information to auditor**

Each person who was a director at the time this report was approved confirms that

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

**Footwork Productions Limited**  
**Registered number: 03190273**  
**Directors' Report**

**Auditor**

Deloitte LLP were appointed as auditor during the year and have expressed their willingness to continue in office as auditor. A resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting.

**Statement of Directors' Responsibilities**

The directors are responsible for preparing the 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 estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed,
- prepare the accounts 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.

This report was approved by the board on 27 September 2011 and signed on its behalf



A Thompson  
Director

**Footwork Productions Limited**  
**Independent auditor's report**  
**to Footwork Productions Limited under Section 449 of the Companies Act 2006**

We have examined the abbreviated accounts set out on pages 5 to 11, together with the financial statements of Footwork Productions Limited for the year ended 31 December 2010 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters that we are required to state to it in a special auditor's 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, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

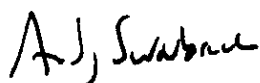
The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

**Basis of opinion**

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

**Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



Andrew Swarbrick BA FCA  
(Senior Statutory Auditor)  
for and on behalf of  
Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Cambridge  
United Kingdom

28 September 2011

**Footwork Productions Limited**  
**Abbreviated Profit and Loss Account**  
**for the year ended 31 December 2010**

	Notes	2010 £	2009 £
<b>Turnover</b>		<u>14,917,615</u>	<u>11,358,772</u>
<b>Gross Profit</b>		14,926,038	11,358,772
Administrative expenses		<u>(14,569,988)</u>	<u>(11,299,929)</u>
<b>Operating profit</b>	2	356,050	58,843
Interest receivable		<u>7,440</u>	<u>10,833</u>
<b>Profit on ordinary activities before taxation</b>		363,490	69,676
Tax on profit on ordinary activities	5	(163,460)	(54,294)
<b>Profit for the financial year</b>	12	<u>200,030</u>	<u>15,382</u>

**Continuing operations**

All amounts relate to continuing operations

**Statement of total recognised gains and losses**

The company has no recognised gains or losses other than those included in the Profit and Loss account

**Footwork Productions Limited**  
**Abbreviated Balance Sheet**  
**as at 31 December 2010**

	Notes	2010	2009
		£	£
<b>Fixed assets</b>			
Investments	6	2	2
<b>Current assets</b>			
Debtors	7	7,216,880	5,534,208
Investments held as current assets	8	2,056,756	3,587,050
Cash at bank and in hand		202,424	15,225
		<u>9,476,060</u>	<u>9,136,483</u>
<b>Creditors: amounts falling due within one year</b>	9	(8,504,266)	(8,364,719)
<b>Net current assets</b>		<u>971,794</u>	<u>771,764</u>
<b>Net assets</b>		<u><u>971,796</u></u>	<u><u>771,766</u></u>
<b>Capital and reserves</b>			
Called up share capital	10	2	2
Profit and loss account	11	971,794	771,764
<b>Shareholder's funds</b>	12	<u><u>971,796</u></u>	<u><u>771,766</u></u>

The abbreviated accounts which have been prepared in accordance with the special provisions applicable to medium-sized companies

The financial statements of Footwork Productions Limited, registered number 3190273, were approved by the Board of Directors and authorised for issue on 27 September 2011



A Thompson  
 Director



**Footwork Productions Limited**  
**Notes to the abbreviated accounts**  
**for the year ended 31 December 2010**

**1 Accounting policies**

***Basis of accounting***

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

Group accounts have not been prepared as the company's subsidiary is permitted to be excluded from group accounts by virtue of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

***Going concern***

The directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook as the company continues to be profitable and has significant cash resources. The company has no external funding and the directors are confident that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and accounts.

***Turnover***

Turnover represents amounts derived from the provision of services which fall within the company's ordinary activities after deduction of Value Added Tax. The turnover and pre-tax results are attributable to the company's principal activity.

The directors do not believe that any part of the company's worldwide market is significantly different from any other.

***Advances and royalties***

Advances, endorsements and sponsorship income are recognised over the period of the contract.

Personal appearance, filming and photo shoot fees are recognised once appearance or attendance has occurred.

Product royalties are recognised on an accruals basis in accordance with the contractual terms.

***Commission charges***

Commission payable to managing agents is charged to the profit and loss account in the same period as the income to which it relates.

***Foreign currencies***

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

<b>2 Operating profit</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
The operating profit is stated after charging		
Fees payable to the company's auditor for		
- the audit of the company's annual accounts	7,500	8,500
- tax and other services	48,190	-
Foreign exchange loss	<u>180,812</u>	<u>648,303</u>

**Footwork Productions Limited**  
**Notes to the abbreviated accounts**  
**for the year ended 31 December 2010**

<b>3 Directors' emoluments</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Emoluments	<u>11,598,137</u>	<u>9,029,726</u>
Highest paid director Emoluments	<u>11,598,137</u>	<u>9,029,726</u>

<b>4 Staff costs</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<u>11,598,137</u>	<u>9,029,726</u>

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

	<b>Number</b>	<b>Number</b>
Directors	<u>3</u>	<u>3</u>

<b>5 Taxation</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Analysis of tax charge in the year</b>		
UK corporation tax on profits of the year	76,475	54,294
Adjustments in respect of previous periods	(20,832)	-
Double taxation relief	-	(3,750)
Foreign tax on income for the year	107,817	3,750
Tax on profit on ordinary activities	<u>163,460</u>	<u>54,294</u>

**Footwork Productions Limited**  
**Notes to the abbreviated accounts**  
**for the year ended 31 December 2010**

**5 Taxation (continued)**

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

	2010	2009
	£	£
Profit on ordinary activities before tax	363,490	69,676
Standard rate of corporation tax in the UK	28%	28%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	101,777	19,509
Effects of		
Expenses not deductible for tax purposes	6,565	34,785
Adjustments to tax charge in respect of previous periods	(20,832)	-
Foreign tax expensed	(30,189)	-
Marginal rate tax relief	(1,678)	-
Current tax charge for year	55,643	54,294

**Factors that may affect future tax charges**

On 23 March 2011 the Government announced that the main rate of corporation tax would reduce to 26% with effect from 1 April 2011, with subsequent 1% reductions per annum to reach 23% with effect from 1 April 2014. These tax rate reductions had not been substantively enacted at the balance sheet date and therefore have not been reflected in the financial statements. The effect of these tax rate reductions on the deferred tax balance will be accounted for in the period in which the tax rate reductions are substantively enacted.

**6 Investments**

**Investments in  
subsidiary  
undertakings**  
£

**Cost**

At 1 January 2010 and 31 December 2010

2

The aggregate of the share capital and reserves as at 30 April 2010 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows

Company	Shares held		Capital and reserves	Profit (loss)
	Class	%	£	for the year
				£
David Beckham Limited	Ordinary	100	2	-

David Beckham Limited is a dormant company

**Footwork Productions Limited**  
**Notes to the abbreviated accounts**  
**for the year ended 31 December 2010**

<b>7 Debtors amounts falling due within one year</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Trade debtors	15,992	2,426,603
Amounts owed by related parties	934,437	577,491
VAT debtor	29,584	-
Other debtors	41,260	80,062
Prepayments and accrued income	6,195,607	2,450,052
	<u>7,216,880</u>	<u>5,534,208</u>

<b>8 Investments held as current assets</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Short term cash deposits	<u>2,056,756</u>	<u>3,587,050</u>

<b>9 Creditors, amounts falling due within one year</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Trade creditors	47,608	319,218
Amounts owed to group undertakings	2	2
Corporation tax	55,643	50,544
Amounts owed to related parties	17,550	39,716
Director's current account	977,789	2,135,576
Other creditors	7,160	-
Accruals and deferred income	7,398,514	5,819,663
	<u>8,504,266</u>	<u>8,364,719</u>

The director's current account relates to D Beckham and arises from amounts introduced, less monies withdrawn. The account is unsecured and interest-free and has no fixed repayment date.

<b>10 Share capital</b>	<b>Nominal value</b>	<b>2010</b>	<b>2009</b>
		<b>£</b>	<b>£</b>
Allotted, called up and fully paid			
Ordinary shares	£1 each	<u>2</u>	<u>2</u>

**Footwork Productions Limited**  
**Notes to the abbreviated accounts**  
**for the year ended 31 December 2010**

**11 Reserves**

	£
At 1 January 2010	771,764
Profit for the financial year	200,030
At 31 December 2010	<u>971,794</u>

**12 Reconciliation of movement in shareholder's funds**

	2010	2009
	£	£
At 1 January	771,766	756,384
Profit for the financial year	200,030	15,382
At 31 December	<u>971,796</u>	<u>771,766</u>