

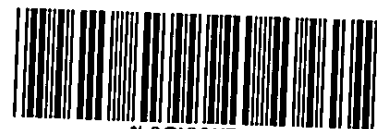
Registered number
03190273

Footwork Productions Limited

Abbreviated Accounts

31 December 2013

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Footwork Productions Limited
Report and accounts
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Footwork Productions Limited

Company Information

Directors

D Beckham

A Thompson

Secretary

V C Beckham

Auditor

Deloitte LLP

Chartered Accountants and Statutory Auditor

London

United Kingdom

Bankers

Coutts

440 Strand

London

United Kingdom

WC2R 0QS

Solicitors

Lee & Thompson LLP

4 Gee's Court

St Christopher's Place

London

United Kingdom

W1U 1JD

Registered office

89 New Bond Street

London

United Kingdom

W1S 1DA

Registered number

03190273

Footwork Productions Limited

Registered number: 03190273

Strategic Report

Principal activities

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

Review of the business

The results for the year show an decrease in turnover to £14,813,302 but an increase in profit before tax of £12,099,963 to £12,490,502. Revenue and profit before tax are the key performance indicators of the business.

The balance sheet on page 6 of the financial statements shows that the company's financial position at the year end is strong with net assets of £3.4 million.

During the year ended 31 December 2013 a number of new agreements were concluded.

The directors anticipate a sustained level of endorsement income during 2014. The company continues to exploit all image opportunities that it feels are beneficial to the overriding business strategy.

Going concern

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies of the financial statements.

Financial risk

The company's principal financial assets are the bank balances, short-term cash deposits and trade and other receivables. 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 £9,586,888 (2012 - £292,086).

The company paid a dividend of £7,500,000 during the year (2012 - £nil).

This report was approved by the board on 1st September 2014 and signed on its behalf



Andrew Thompson
Director

Footwork Productions Limited

Registered number: 03190273

Directors' Report

The directors present their report and financial statements for the year ended 31 December 2013

Directors

The following persons served as directors during the year

D Beckham

A Adams *(Resigned 17 September 2013)*

A Thompson

Directors' responsibilities statement

The directors are responsible for preparing the annual report and 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, 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 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.

Disclosure of information to auditor

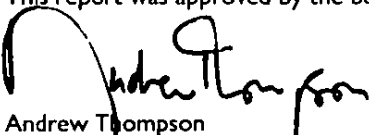
Each person who was a director at the time this report was approved confirms that

- 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.

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

This report was approved by the board on 1st September 2014 and signed on its behalf



Andrew Thompson
Director

Footwork Productions Limited**Independent auditors' 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 12, together with the financial statements of Footwork Productions Limited for the year ended 31 December 2013 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 audit work has been undertaken so that we might state to the company those matters 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 audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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 to be delivered are properly prepared. The scope of our work for the purposes of this report does not include examining events occurring after the date of our auditor's report on the full financial statements.

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.



1 September 2014

James Bates ACA (Statutory Auditor)

for and on behalf of

Deloitte LLP

Chartered Accountants and Statutory Auditor

London United Kingdom

Footwork Productions Limited
Profit and Loss Account
for the year ended 31 December 2013

	Notes	2013 £	2012 £
Turnover	1	14,813,302	16,517,526
Cost of sales		(2,173,411)	(1,779,367)
Gross profit		<u>12,639,891</u>	<u>14,738,159</u>
Administrative expenses		(163,495)	(14,353,404)
Operating profit	2	<u>12,476,396</u>	<u>384,755</u>
Interest receivable		14,106	5,962
Interest payable	5	-	(178)
Profit on ordinary activities before taxation		<u>12,490,502</u>	<u>390,539</u>
Tax on profit on ordinary activities	6	(2,903,614)	(98,453)
Profit for the financial year	12	<u><u>9,586,888</u></u>	<u><u>292,086</u></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 the profit for the above two financial years

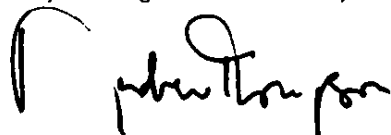
Footwork Productions Limited
Balance Sheet
as at 31 December 2013

	Notes	2013 £	2012 £
Fixed assets			
Investments	7	2	2
Current assets			
Debtors	8	3,792,845	4,610,052
Investments held as current assets	9	6,928,258	3,470,063
Cash at bank and in hand		10,640	10,003
		<u>10,731,743</u>	<u>8,090,118</u>
Creditors: amounts falling due within one year	10	(7,252,500)	(6,697,763)
Net current assets		<u>3,479,243</u>	<u>1,392,355</u>
Net assets		<u><u>3,479,245</u></u>	<u><u>1,392,357</u></u>
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account	12	3,479,243	1,392,355
Shareholders' funds	14	<u><u>3,479,245</u></u>	<u><u>1,392,357</u></u>

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

The financial statements of Footwork Productions Limited, registered number 03190273, were approved by the directors and authorised for issue on 1st September 2014

They were signed on its behalf by



Andrew Thompson
Director

Footwork Productions Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2013

I Accounting policies

Basis of preparation

The financial statements 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 Section 405 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 financial statements.

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 and have elected not to disclose turnover by geographical market segment.

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.

Current tax

Current tax including UK corporation tax and foreign 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.

Footwork Productions Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2013

1 Accounting policies (continued)

Deferred tax

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 effective 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 years 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.

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.

Investments

Fixed asset investments are shown at cost less provision for impairment. Current asset investments are stated at the lower of cost and net realisable value.

2 Operating profit	2013	2012
	£	£
The operating profit is stated after charging/(crediting)		
Fees payable to the company's auditor for-		
- the audit of the company's annual accounts	8,275	8,000
- tax and other services	9,366	13,102
Foreign exchange (gain) / loss	(15,827)	67,540
3 Directors' emoluments	2013	2012
	£	£
Emoluments	-	14,100,000
Highest paid director		
Emoluments	-	14,100,000
4 Staff costs	2013	2012
	£	£
Wages and salaries	-	14,100,000
Social security costs	3,757	-
	3,757	14,100,000

Footwork Productions Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2013

4 Staff costs (continued)

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

	2013	2012
	Number	Number
Directors	<u>3</u>	<u>3</u>

5 Interest payable

	2013	2012
	£	£
Bank loans and overdrafts	<u>-</u>	<u>178</u>

6 Taxation

	2013	2012
	£	£
Analysis of charge in period		
Current tax		
UK corporation tax on profits of the period	2,903,614	94,441
Adjustments in respect of previous periods	<u>-</u>	<u>4,012</u>
	<u>2,903,614</u>	<u>98,453</u>
Tax on profit on ordinary activities	<u>2,903,614</u>	<u>98,453</u>

Factors affecting tax charge for year

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

	2013	2012
	£	£
Profit on ordinary activities before tax	<u>12,490,502</u>	<u>390,539</u>
Standard rate of corporation tax in the UK	23 247%	24 497%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	2,903,667	95,672
Effects of		
Expenses not deductible for tax purposes	(53)	-
Adjustments to tax charge in respect of previous periods	-	4,012
Marginal rate tax relief	-	(1,231)
Current tax charge for year	<u>2,903,614</u>	<u>98,453</u>

Footwork Productions Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2013

6 Taxation (continued)

The Finance Act 2013, which provides for reductions in the main rate of corporation tax from 23% to 21% effective from 1 April 2014 and to 20% effective from 1 April 2015, was substantively enacted on 2 July 2013

7 Investments

**Investments in
subsidiary
undertakings
£**

Cost

At 1 January 2013

2

At 31 December 2013

2

The company holds 20% or more of the share capital of the following companies

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

The company is incorporated in the United Kingdom and is dormant

8 Debtors: all amounts are due within one year

2013

2012

£

£

Trade debtors

3,413,040

-

Owed by related parties

10,247

279,709

Other debtors

21,086

21,086

Prepayments and accrued income

348,472

4,309,257

3,792,845

4,610,052

9 Investments held as current assets

2013

2012

£

£

Short term cash deposits

6,928,258

3,470,063

Footwork Productions Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2013

10 Creditors: amounts falling due within one year	2013	2012
	£	£
Trade creditors	315,861	25,724
Amounts owed to group undertakings and undertakings in which the company has a participating interest	2	2
Corporation tax	1,335,706	94,441
Amounts owed to related parties	58,713	16,148
Director's current account	141,654	1,975,583
Other taxes and social security costs	380,858	107,428
Other creditors	-	10,554
Accruals and deferred income	5,019,706	4,467,883
	<u>7,252,500</u>	<u>6,697,763</u>

The director's current account relates to D Beckham and arises from amounts introduced, less monies withdrawn. The maximum balance owed to D Beckham during the year was £7,193,567 (2012 - £4,355,167). The account is unsecured and interest-free and has no fixed repayment date.

11 Share capital	Nominal value	2013 Number	2013 £	2012 £
Allotted, called up and fully paid Ordinary shares	£1 each	2	<u>2</u>	<u>2</u>

12 Profit and loss account	2013 £
At 1 January 2013	1,392,355
Profit for the financial year	9,586,888
Dividends (note 13)	(7,500,000)
At 31 December 2013	<u>3,479,243</u>

13 Dividends	2013 £	2012 £
Dividends for which the company became liable during the year		
Dividends paid (£3,750,000 per share)	<u>7,500,000</u>	<u>-</u>

Footwork Productions Limited
Notes to the Abbreviated Accounts
for the year ended 31 December 2013

14 Reconciliation of movement in shareholders' funds	2013	2012
	£	£
At 1 January	1,392,357	1,100,271
Profit for the financial year	9,586,888	292,086
Dividends (note 13)	(7,500,000)	-
At 31 December	<u>3,479,245</u>	<u>1,392,357</u>