

Jetix Europe Limited
(Registered number: 3250589)

Directors' report and financial statements
For the year ended 30 September 2012



Jetix Europe Limited
Directors' report and financial statements
For the year ended 30 September 2012

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Jetix Europe Limited

Directors' report for the year ended 30 September 2012

The Directors present their report and the audited financial statements of Jetix Europe Limited (the "Company") for the year ended 30 September 2012

Principal activities, review of business and future developments

On 1 October 2009, the Company's trade and assets were sold to The Walt Disney Company Limited and all trading contracts have been transferred accordingly. The sale to The Walt Disney Company Limited was effected by means of an interest bearing loan note that enables the Company to meet its liabilities into the future. The Company will continue to operate in the foreseeable future and therefore continues to be a going concern.

Historically, the Company's principal activity was the operation of children's television channels.

Future developments and principal risk and uncertainties

The Company ceased trading on 1 October 2009 upon the sale of the Company's trade and assets to The Walt Disney Company Limited.

The Company's future performance could be affected by the following risk factors:

Foreign currency exchange rate fluctuations may cause financial losses. Changes in foreign currency exchange rates can reduce the value of the Company's assets.

As a result of the Company's exposure to foreign exchange risk, there has been a realised (loss)/profit on foreign exchange in the year of (£5,596,000) (2011: £838,000). Management continuously monitors the Company's exposure to foreign exchange risk.

Results and dividends

The loss after taxation for the year ended 30 September 2012 amounted to £933,000 (2011: profit £4,017,000).

The Directors do not recommend the payment of a dividend (2011: £nil).

Key performance indicators ("KPIs")

As the Company's principal activity is a holding company, the Company's Directors are of the opinion that using financial KPIs such as turnover and operating profit are not necessary for an understanding of the development, performance or position of the business.

Financial risk management

The Company is a holding company, and therefore is not considered to be exposed to significant financial risks. Financial risks, such as foreign exchange, are managed by the ultimate parent company. The Company is also subject to LIBOR interest rate changes.

Directors

The Directors who held office during the year and up to the date of signing off these financial statements were as follows:

P. Wile
N. Cook

There was no qualifying third party indemnity provision in force, for the benefit of any of the Directors, at any time during the financial year.

Jetix Europe Limited

Directors' report for the year ended 30 September 2012 (continued)

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 prepared 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 year. 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,
- 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 auditors

So far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken all steps that he/she ought to have taken in his/her duty 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.

On behalf of the Board on 10 December 2012

N Cook
Director



Registered Office
3 Queen Caroline Street
Hammersmith
London W6 9PE

Independent auditors' report to the members of Jetix Europe Limited

We have audited the financial statements of Jetix Europe Limited for the year ended 30 September 2012 which comprise the Profit and Loss account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' responsibilities set out on page 4 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.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 Directors' report and financial statements to identify material inconsistencies with the audited financial statements. 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 30 September 2012 and of its loss 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 Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

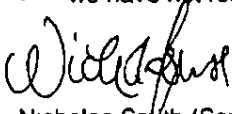
In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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



Nicholas Smith (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

11 December 2012

Jetix Europe Limited

Profit and Loss account for the year ended 30 September 2012

	Note	Year ended 30 September 2012 £'000	Year ended 30 September 2011 £'000
Administrative expenses		(5,643)	825
Operating (loss)/profit		(5,643)	825
Interest receivable and similar income	3	4,409	4,054
(Loss)/profit on ordinary activities before taxation—		(1,234)	4,879
Tax benefit/(expense) on profit on ordinary activities	5	301	(852)
(Loss)/profit for the financial year	11	(933)	4,017

There are no material differences between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the financial years stated above and their historical cost equivalents

All the amounts stated above relate to continuing operations

The Company has no recognised gains and losses other than those included in the results above and therefore no separate statement of recognised gains and losses has been presented

Jetix Europe Limited
Balance Sheet as at 30 September 2012

(Registered number: 3250589)

		As at 30 September 2012 £'000	Restated As at 30 September 2011 £'000
	Note		
Fixed assets			
Investments	6	426	426
Current assets			
Cash		9,943	4,641
Debtors: amounts falling due within one year	7	306	2,011
Debtors: amounts falling due after more than one year	8	140,945	146,541
		151,194	153,193
Creditors: amounts falling due within one year	9	(1,320)	(2,385)
Net current assets		149,875	150,808
Total assets less current liabilities		150,301	151,234
Net assets		150,301	151,234
Capital and reserves			
Called up share capital	10	-	-
Other reserves	11	59,809	59,809
Profit and loss account	11	90,492	91,425
Total shareholders' funds	11	150,301	151,234

The financial statements on pages 7 to 14 were approved by the Board of Directors on 10 December 2012
were signed on its behalf by

N Cook
Director

10 December 2012

Jetix Europe Limited

Notes to the financial statements for the year ended 30 September 2012

1 Accounting policies

The principal accounting policies are summarised below. They have all been consistently applied throughout the current year and the preceding year except for as noted in e) below.

a) Basis of preparation

The financial statements are prepared on a going concern basis, under the historical cost convention, in accordance with applicable accounting standards in the United Kingdom and under Companies Act 2006. There are no indications that amounts receivable or payable by the Company are not going to be received or paid and therefore support these statements being prepared on a going concern basis. For the year ended 30 September 2012 the Company has prepared its annual financial statements in accordance with UK GAAP.

The financial statements contain information about Jetix Europe Limited as an individual Company and do not contain consolidated financial information as the parent of a group. The Company is a wholly owned subsidiary of a group headed by The Walt Disney Company and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the Company is exempt under section 401 of the Companies Act 2006 from preparing consolidated financial statements.

Under the provisions of FRS 1 (Revised) "Cash flow statements", the Company has not prepared a cash flow statement because The Walt Disney Company, a Company incorporated in the United States of America, has prepared publicly available consolidated financial statements which include the financial statements of the Company for the financial year and which contain a consolidated cash flow statement.

b) Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate of exchange on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange prevailing on the balance sheet date. All resultant exchange differences have been dealt with in the profit and loss account for the financial year.

c) Taxation

The charge for taxation is based on the result for the financial year and takes into account deferred taxation.

d) Investment policy

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the Directors when there has been indication of potential impairment.

e) Reclassification

The Company's 2011 cash balance of £4.6m was misclassified as an intercompany balance and the intercompany balances for amounts owed by/owed to group companies were incorrectly grossed up by £5.6m in the prior year. The cash balance was misclassified due to an discrepancy in ownership information which came to light in the current year following a review, in which it was thought to be owned by an intercompany party. The intercompany debtors and creditors were grossed up due to amounts not being correctly netted as they were related to a cash balance belonging to an intercompany party. This reclassification has been reflected in the prior year balance sheet. There is no impact to net assets or net profit in the prior year as a consequence of these reclassification adjustments.

Jetix Europe Limited

Notes to the financial statements for the year ended 30 September 2012 (continued)

2 Operating (loss)/profit

	Year ended 30 September 2012 £'000	Year ended 30 September 2011 £'000
Operating (loss)/profit is stated after charging/ (crediting)		
Auditors' remuneration - audit	11	13
Realised loss/(profit) on foreign exchange	5,596	(838)

The Company has no employees (2011 nil)

3 Interest receivable and similar income

	Year ended 30 September 2012 £'000	Year ended 30 September 2011 £'000
Interest receivable on bank deposits	4,409	4,054

4 Directors' emoluments

The Directors did not receive any emoluments in respect of their services to the company. Both the Directors are remunerated by The Walt Disney Company Limited, and details are available in the financial statements of that company. It is not possible to determine the allocation of remuneration of the Directors related to the Company.

Jetix Europe Limited

Notes to the financial statements for the year ended 30 September 2012 (continued)

5 Tax on (loss)/profit on ordinary activities

The charge for taxation is based upon the taxable (loss)/profit for the financial year and comprises

	Year ended 30 September 2012 £'000	Year ended 30 September 2011 £'000
(a) Analysis of the tax charge in the financial year		
Current tax:		
UK corporation tax at 25% on profits for the year (2011: 27%)	(309)	1,301
Prior year adjustment	8	(439)
Tax on profit on ordinary activities	(301)	862

(b) Factors affecting the tax charge for the financial year

The tax assessed for the year is the same as (2011: lower) the standard rate of corporation tax in the UK for the year ended 30 September 2012 (2012: 25%, 2011: 27%). The differences are explained below

	Year ended 30 September 2012 £'000	Year ended 30 September 2011 £'000
(Loss)/profit on ordinary activities before tax	(1,234)	4,879
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2011: 27%)	(309)	1,317
Effects of:		
Group relief surrendered for no consideration	-	(16)
Total current tax (credit)/charge for the year	(309)	1,301

A number of changes to the UK Corporation tax system were announced in the March 2012 Budget Statement. The Finance Act 2012 which was substantially enacted on 6 July 2012 includes legislation reducing the main rate of corporation tax from 26% to 24% from 1 April 2012 and further reducing the main rate of corporation tax from 24% to 23% from 1 April 2013. A further reduction to the main rate of corporation tax was proposed in the Chancellor's Autumn Statement, released on 5 December 2012. This proposes a further 1% cut in the main rate of corporation tax from 1 April 2014 in addition to the 1% already proposed such that the rate would become 21% from this date. This further change had not been substantively enacted at the balance sheet date and therefore has not been reflected in these financial statements. The change is not expected to materially impact the financial statements.

Jetix Europe Limited

Notes to the financial statements for the year ended 30 September 2012 (continued)

6 Fixed asset investments

	Shares in group undertakings £'000
Cost	
At 30 September 2011	426
Additions for the year	-
At 30 September 2012	426
Net book amount	
At 30 September 2012	426
At 30 September 2011	426

The Company has investments in the following subsidiary undertakings

Subsidiary undertaking	Business	Country of incorporation	Date of incorporation	Equity Interest
Jetix Espana S L	Children's television channel	Spain	24 June 1999	50%
Jetix Entertainment Limited	Children's online and interactive activities	UK	5 June 2000	100%
Jetix Entertainment Services EPE	Children's television channel	Greece	26 February 2002	99%

The Directors believe that the carrying value of the investments is supported by their underlying net assets

7 Debtors: amounts falling due within one year

	As at 30 September 2012 £'000	Restated As at 30 September 2011 £'000
Amounts owed by Group undertakings	306	2,011
	306	2,011

Amounts owed by Group undertakings are unsecured, repayable on demand and interest free

Jetix Europe Limited

Notes to the financial statements for the year ended 30 September 2012 (continued)

8 Debtors: amounts falling due after more than one year

	As at 30 September 2012 £'000	As at 30 September 2011 £'000
Amounts owed by Group undertakings	140,945	146,541

Amounts owed by Group undertakings are unsecured, repayable on 30 September 2014 and attract interest at the twelve month Libor rate

9 Creditors: amounts falling due within one year

	As at 30 September 2012 £'000	Restated As at 30 September 2011 £'000
Amounts owed to group undertakings	1,310	1,071
Taxation and social security	-	1,301
Accruals and deferred income	10	13
	1,320	2,385

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand

10 Called up share capital

	As at 30 September 2012	As at 30 September 2011
Ordinary £1 equity shares		
10 000,000 (2011 10,000 000) authorised	10,000,000	10,000 000
100 (2011 100) allotted and fully paid	100	100

11 Reconciliation of movements in shareholders' funds and movement on reserves

	Other reserves £'000	Profit and loss account £'000	Total £'000
As at 30 September 2011	59,809	91,425	151,234
Loss for the financial year	-	(933)	(933)
As at 30 September 2012	59,809	90,492	150,301

Jetix Europe Limited
Notes to the financial statements for the year ended 30 September 2012
(continued)

12 Ultimate parent company

The immediate parent undertaking is Disney Channels (Benelux) B V

The ultimate parent undertaking and controlling party is The Walt Disney Company a company incorporated in the United States of America

The Walt Disney Company is the parent undertaking of the largest and only group of undertakings to consolidate these financial statements at 29 September 2012. The consolidated financial statements of The Walt Disney Company are available from 500 South Buena Vista Street, Burbank CA 91521, United States of America

13 Related parties

The Company has taken advantage of the exemption conferred by FRS 8 "Related party disclosures" not to disclose details of transactions with other members of the Disney group since it is a wholly owned subsidiary undertaking of The Walt Disney Company whose consolidated financial statements are available to the public