Jetix Europe Limited

Annual report and financial statements
for the year ended 30 September 2009

Registered number 3250589

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for the year ended 30 September 2009

Contents

Directors, company secretary and auditors for the year ended 30 September 2009

Directors	Nigel Cook Peter Wiley
Company secretary	Nigel Cook
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Registered Auditors 1 Embankment Place London WC2N 6RH
Bankers	JP Morgan Chase Bank 125 London Wall London EC2Y 5AJ
Solicitors	Wiggin & Co The Quadrangle Imperial Square Cheltenham Gloucester GL50 1YX
Registered office	Chiswick Park, Building 12, 566 Chiswick High Road London W4 5AN

Directors' report

For the year ended 30 September 2009

The Directors present their report together with the audited accounts and the auditors' report of Jetix Europe Limited (the 'Company') (registered number 3250589), for the year ended 30 September 2009

Principal activities and review of the business

The Company's principal activity during this financial year was the operation of children's television channels

On 8 December 2008, The Walt Disney Company Inc ("Disney") announced its intention to acquire the remaining shareholding of Jetix Europe N V , the parent Company in which the Company's financial statements were previously consolidated At 12 February 2009, Disney had increased its shareholding to 99 96% and Jetix Europe N V 's was delisted from the Euronext stock exchange on 27 February 2009

The Company's results for the year were primarily influenced by advertising revenue growth in the Central Eastern European market The overall results of the company were impacted by the acquisition of the Jetix Group (Jetix Europe N V and each of its subsidiaries) during the fiscal year by The Walt Disney Company Ltd, which led to the Company restructuring various parts of the business and the recognition of severance costs

Future developments and principal risk and uncertainties

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 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 will receive interest income on a loan made to The Walt Disney Company Limited that will enable it to meet its liabilities that arise after the sale into the future The Company therefore continues to be a going concern

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 and revenues and increase the Company's liabilities and costs

Financial risk management

The Company's activities expose it to a variety of financial risks market risk (including currency risk), credit risk, liquidity risk and cashflow and fair value interest-rate risk The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance

(a) Market risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the euro

Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations

As a result of the Company's exposure to foreign exchange risk, there has been a loss in the year of £0 875 million (2008 £0 183 million loss) Management continuously monitors the Company's exposure to foreign exchange risk *(b) Credit risk*

The Company has no significant concentrations of credit risk It has policies in place to ensure that sales of services are made to customers with an appropriate credit history

(c) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents In order to optimise cash management, the Company's cash is managed by Jetix Group Treasury under a service agreement The Jetix Companies maintain investments with terms of less than 90 days to ensure sufficient funds are available for operations and therefore there is minimal exposure to liquidity risk

(d) Cashflow and fair value interest rate risk

The Company's interest rate risk arises from cash and cash equivalents Cash invested at a variable rate exposes the company to cashflow interest rate risk Cash invested at fixed rates exposes the company to fair value interest rate risk At September 30, 2009, none of the company's cash was invested in fixed term bank deposits The company participates in the Jetix Companies cash pooling system which facilitates optimised cash management for the Group and seeks to maximise net interest income

(e) Price Risk

The company is not exposed to significant commodity price risk

Results and dividends

The profit after taxation for the year ended 30 September 2009 amounted to £593,000 (2008 £1,988,000 loss)

The Directors are unable to recommend the payment of a dividend (2008 £nil)

Directors and their interests

The Directors who served during the financial year and up to the date of signing the financial statements were as follows

Olivier Spiner (resigned 23 July 2009)
Oliver Fryer (resigned 31 July 2009)
Dene Stratton (resigned 31 March 2009)
Paul Taylor (resigned 16 February 2009)
John Hardie (appointed 16 February 2009, resigned 15 May 2009)
Giorgio Stock (appointed 15 May 2009, resigned 31 July 2009)
Peter Wiley (appointed 31 July 2009)
Nigel Cook (appointed 31 July 2009)

Post balance sheet events

On 1 October 2009, Jetix Europe Limited sold its trade to The Walt Disney Company Ltd and ceased trading For details of the sale see Note 18 of the accounts

Employment

The Company continues to involve staff in the decision making process and communicates regularly with them during the year The aim for all members of staff and applicants for employment is to fit the qualifications, aptitude and ability of each individual to the appropriate job, and to provide equal opportunity, regardless of gender, sexual orientation, age, marital status, disability, religion or ethnic origin

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with the applicable laws 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, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business, in which case there should be supporting assumptions or qualification as necessary

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

The Directors confirm that suitable accounting policies have been used and applied consistently They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 30 September 2009 and that applicable Accounting Standards have been followed

Directors' report (continued)

For the year ended 30 September 2009

Statement on disclosure of information to the auditors

- So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and

- the Directors as on the date of signing the report have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Independent auditors

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution proposing their re-appointment will be submitted at the forthcoming Annual General Meeting

Chiswick Park,
Building 12,
566 Chiswick High Road
London W4 5AN

On behalf of the Board

Nigel Cook
Director
23rd December 2009

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 2009 which comprise the Profit and loss account, the Statement of total recognised gains and losses, the Reconciliation of Movements in Shareholders' Funds, 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 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 Sections 495 and 496 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

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 2009 and of its profit and cash flows 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 requirements of 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

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

Stuart Newman

Stuart Newman (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
23 xx December 2009

Profit and loss account

For the year ended 30 September 2009

	Notes	2009 £'000	2008 £'000 (restated)
Turnover	3	28,796	27,477
Operating expenses		(34,498)	(29,987)
Operating loss	4	(5,702)	(2,510)
Profit on sale of an investment	10	1,355	-
Income from fixed asset investment	9	4,955	683
Interest receivable and similar income		63	136
Interest payable and similar charges		(8)	(244)
Profit/(loss) on ordinary activities before taxation		663	(1,935)
Tax on profit/(loss) on ordinary activities	7	(70)	(53)
Profit/(loss) for the financial year	13	593	(1,988)

There are no material differences between the loss on ordinary activities before taxation and the retained loss for the year stated above and their historical cost equivalents

All the amounts stated above relate to continuing operations

The Reconciliation of Movements in Shareholders' Funds is provided on page 8

The accompanying notes on pages 10 to 22 are an integral part of these profit and loss accounts

Statement of total recognised gains and losses

for the year ended 30 September 2009

	2009 £'000	2008 £'000
Loss for the financial year as previously reported	-	(1,646)
Prior period adjustment for change in accounting policy	-	(342)
Profit for the financial year	593	(1,988)
Total recognised gains and losses relating to the year	593	(1,988)
Total recognised gains and losses since last annual report	593	(1,988)

The accompanying notes on pages 10 to 22 are an integral part of these statements of total recognised gains and losses

Reconciliation of Movements of Shareholders' Funds

	2009 £'000	2008 £'000
Opening Retained Earnings	7,967	9,351
Adjustment for change in accounting policy	(342)	-
Revised Opening Retained Earnings	7,625	9,351
Profit for the financial year	593	(1,646)
Share option disbursement	-	(89)
Fair value of employee services	-	351
Closing Retained Earnings	593	7,967

Balance sheet
as at 30 September 2009

	Notes	2009 £'000	2008 £'000 (restated)
Fixed assets			
Tangible assets	8	186	343
Investment in subsidiaries	9	426	822
		612	1,165
Current assets			
Debtors	11	10,464	9,914
Cash		6,828	1,991
		17,292	11,905
Creditors: amounts falling due within one year	12	(9,686)	(5,445)
Net current assets		7,606	6,460
Total assets less current liabilities		8,218	7,625
Net assets		8,218	7,625
Capital and reserves			
Called-up share capital	13	5,951	5,951
Share premium	13	53,858	53,858
Profit and loss account	13	(51,591)	(52,184)
Total shareholders' funds		8,218	7,625

The financial statements on pages 7 to 9 were approved by the Board of Directors on 23rd December 2009 and signed on its behalf by

Nigel Cook
Director

The accompanying notes on pages 10 to 22 are an integral part of these balance sheets

Notes to the financial statements

30 September 2009

1 Principal accounting policies

The principal accounting policies are summarised below They have all been consistently applied throughout the current year and the preceding year

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 supports these statements being prepared on a going concern basis, For the year ended 30 September 2009 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 exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, The Walt Disney Company, a Company registered in the United States of America

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

The preparation of financial information in conformity with UK GAAP requires management to make certain judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates The key accounting estimates and judgements are explained in Note 2 There are certain areas of complexity which require a higher degree of judgement These areas include amortisation and impairment of intangible assets, revenue recognition, accounting for employee share-based compensation plans, provisions, allowances for doubtful accounts, and deferred taxation

b) Revenue recognition

Subscriber fees receivable from cable operators and Direct-to-home (DTH) broadcasters are generally recognised as revenue over the period for which the channels are provided and to which the fees relate Subscriber revenue is recognised as contracted generally based upon the level of subscribers Television advertising revenue is recognised as the commercials are aired In certain countries, the Company commits to provide advertisers with certain rating levels in connection with their advertising Revenue is recorded net of estimated shortfalls, which are usually settled by providing the advertiser additional advertising time The revenue related to the shortfall, calculated based on the additional advertising to be provided, is deferred and released when the advertising has been fulfilled Barter revenues, represent the receipt of services in exchange for advertising time on a television station The fair value of the advertising surrendered is determinable based on the Company's own historical practice of receiving cash or other consideration that is readily convertible to a known cash amount for similar advertising from buyers unrelated to the counterparty in the barter transaction

1 Principal accounting policies (continued)

c) 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 year

d) Advertising costs

Advertising costs are expensed as incurred

e) Leasing and hire purchase commitments

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases Payments made under operating leases (net of any incentives received from the lessor) are charged to the profit and loss account on a straight-line basis over the period of the lease

f) Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of accumulated depreciation and any provision for impairment

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life as follows

Computer equipment and software	- 3 years
Fixtures and fittings	- up to 10 years

g) Intangible assets

Dubbing costs consist of the cost incurred to change the language of a programme to something other than the original language of the programme and are required to be expensed as incurred

h) Pensions

The Company operates a defined contribution pension scheme under which it pays fixed contributions into publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in current and prior periods The contributions are recognised as employee benefit expense when they are due Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available

1 Principal accounting policies (continued)

i) Financial Instruments

(1) *Debtors*

Trade receivables are recognised initially at fair value less any provision for recoverability

(2) *Cash*

Cash comprises cash at bank and in hand, and bank overdrafts where there is a right of offset, which have a maturity of 90 days or less at date of acquisition

(3) *Creditors*

Trade payables are recognised initially at fair value based on the amounts exchanged

(4) Investments

Fixed asset investments are shown at cost less any provision for impairment

j) Taxation

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

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date where transactions or events that result in an obligation to pay more taxation in the future or a right to pay less taxation in the future have occurred at the balance sheet date Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred taxation is measured at the average taxation rates that are expected to apply in the periods in which the timing differences are expected to reverse based on taxation rates or laws that have been enacted or substantially enacted by the balance sheet date Deferred taxation is measured on a non-discounted basis

k) Share-based compensation

Jetix Europe Ltd employees have been granted stock options under the Jetix Discretionary Stock Option Scheme operated by Jetix Europe N V It is an equity-settled, share-based compensation plan, which includes both share options and restricted shares The fair value of the awards are measured at the date of grant and expensed on a straight-line basis over the vesting period, net of the fair value of those awards not expected to become exercisable

At each balance sheet date, the estimate of the number of share options that are not expected to become exercisable are revised The impact of the revision of the original estimate, if any, is recognised in the profit and loss account for the year, and a corresponding adjustment to equity over the remaining vesting period The proceeds received net of any directly attributable transaction costs are credited to the share capital (nominal value) and share premium of Jetix Europe N V when the options are exercised

1 Principal accounting policies (continued)

Under the plan the restricted shares shall be paid in cash or in shares (or some combination of both) as determined by Jetix Europe N V in its discretion at the time of payment Although the Group has no legal or constructive obligation to settle the restricted shares in cash, the Management Board of Jetix Europe N V has agreed that all restricted shares will be settled in cash The fair value of the employee services received in exchange for the grant of the restricted shares is recognised as an expense At each balance sheet date, and ultimately at the settlement date, the fair value of the liability is re-measured with any changes in fair value recognised in the profit and loss account for the year The total net cost recognised in respect of the transaction will be the amount paid to settle the liability

For any share-based compensation settled by the issuance of equity instruments of Jetix Europe N V , the Company records an expense and a corresponding increase in equity as a contribution from Jetix Europe N V

l) Change in accounting Policy

As a result of the takeover, Jetix Europe Ltd has adopted the accounting policy of Disney which requires all dubbing costs to be expensed as incurred Previously dubbing costs were stated at cost less accumulated amortisation and impairment

The effect of this change results in the value of the intangible assets being restated in fiscal 2008 from £342,000 to nil

2 Key accounting estimates and judgements

In order to prepare the Company's financial statements in conformity with UK GAAP, management of the Company has to make estimates and judgements The matters described below are considered to be the most important in understanding the judgements that are involved in preparing the statements and the uncertainties that could impact the amounts reported on the results of the preparation, financial condition and cashflow Company accounting policies are described in Note 1

a) Provisions and accruals

Provisions and accruals are recognised in the period it becomes probable that there will be a future outflow of funds resulting from past operations or events which can be reasonably estimated The timing of recognition requires the application of judgement to existing facts and circumstances which can be subject to change

Estimates of the amounts of provisions recognised can differ from actuals The carrying amounts of provisions are regularly reviewed and adjusted to take account of such changes A change in estimate of a recognised provision would result in a change or credit to income in the period in which the change occurs

b) Revenue recognition

The Company recognises subscription revenue based on the numbers of subscribers to the channel operators The number of subscribers is variable based on cancellations and new customers to the channel operators over the course of a financial year Subscriber information is obtained from the channel operators approximately one month in arrears As a result the Company estimates subscription revenues based on the prior month's subscription figures supplied by the channel operators

2 Key accounting estimates and judgements (continued)

c) Income taxes

The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made

d) *Share-based compensation*

Share-based compensation expense is estimated on the grant date using a Black-Scholes option-pricing model Future expense amounts for any particular quarterly or annual period could be affected by changes in management's assumptions or changes in market conditions

e) *Functional currency*

Each of the Company's subsidiaries and joint ventures has transactions in a number of different currencies Management makes an assessment of the currency of the primary economic environment in which the entity operates to determine the functional currency of the entity

3 Turnover and segmental analysis

Turnover represents amounts receivable in respect of the principal activity, net of VAT and other sales-related taxes

Business segments

It is the opinion of the Directors that, in view of the Company's business, the markets in which it operates do not differ substantially from each other and are therefore treated as one (2008 one) market, Channels, for the purposes of disclosing the particulars of turnover in these financial statements

Geographical segments

Analysis of Turnover by geographical segments	2009 £'000	2008 £'000
UK	9,265	8,618
Rest of world	19,531	18,859
Total	28,796	27,477

4 Operating profit/(loss)

This is stated after charging

	2009 £'000	2008 £'000 (Restated)
Staff costs (see note 5)	8,625	11,365
Redundancy costs	2,981	-
Depreciation (see note 8)	110	119
Disposal of Fixed Assets	(276)	-
Auditors' remuneration		
- audit	145	19
Realised loss on foreign exchange	875	183
Operating lease rentals		
- plant and machinery	5,554	5,987
- other	2,360	2,186

5 Staff costs

	2009 Number	2008 Number
Average number of employees (including Directors) during the year		
Channels and Online	99	102
Administration	32	38
	131	140

	2009 £'000	2008 £'000
Wages and salaries	7,402	10,115
Social security costs	816	1,058
Other pension costs	351	192
	8,569	11,365

6 Directors' emoluments

The remuneration of the Directors in respect of services to the Company was as follows

	2009 £'000	2008 £'000
Aggregate emoluments	1,236	1,569
Aggregate termination payments	1,397	-
Gains made on exercise of share options and restricted stock units	245	57
Company contributions to money purchase pension schemes	30	47
	2,908	1,673

The above amounts include £286,000 of emoluments, £576,000 of termination payments, £64,000 of gains made on exercise of share options and restricted stock units and £9,000 of pension contributions to many purchase schemes (2008 £587,000 emoluments, £33,000 of gains made on exercise of share options and £21,600 pension contribution) in respect of the highest paid Director Three Directors (2008 three) have retirements benefits accruing under money purchase pension schemes One (2008 two) of the Directors exercised share options during the year Refer to note 14 for details

7 Tax on (loss)/profit on ordinary activities

(a) Analysis of tax charge in period

At 30 September 2009 the Company has not made a profit chargeable to corporation tax and hence there is no UK corporate tax charge (2008 £nil)

	2009 £'000	2008 £'000
- Current tax		
- Overseas tax	70	53
Total charge on ordinary activities	70	53

(b) Factors affecting tax charge/(credit) for the period

The tax assessed for the period is [lower] than the standard rate of corporation tax in the UK (28%) The differences are explained below

	2009 £'000	2008 £'000 (Restated)
Profit/(loss) before taxation	663	(1,935)
Profit/(loss) per ordinary activities multiplied by the standard rate - 28% (2008 – 29%)	186	(561)
Expenses not deductible for tax	(1,602)	164
Tax losses and other timing differences	1,658	167
Group relief surrendered for no consideration	138	230
Unrelieved foreign taxes	70	53
Non taxable capital disposal	(380)	-
Current tax charge for the period	70	53

The Company has tax losses carried forward and capital allowances carried forward of £47,369,000 (2008 £41,991,000) and £4,883,000 (2008 £4,444,000) respectively for which a deferred tax asset has not been recognised as there is not sufficient certainty of them being utilised

8 Tangible assets

	Fixtures and fittings £'000	Computer equipment and software £'000	Total £'000
Cost			
At 1 October 2008	257	1,371	1,628
Additions	57	172	229
Disposals	(257)	(1,399)	(1,656)
At 30 September 2009	57	144	201
Accumulated depreciation			
At 1 October 2008	122	1,163	1,285
Charge for the year	27	83	110
Disposals	(145)	(1,235)	(1,380)
At 30 September 2009	4	11	15
Net book value			
At 30 September 2008	135	208	343
At 30 September 2009	53	133	186

9 Investments

	2009 £'000	2008 £'000
Cost	822	822
Less Disposals during the year	(396)	-
Net book value	426	822

The Company has investments in the following subsidiary undertakings

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

On 30 July 2009 Jetix Europe Ltd disposed of its interest in Jetix Europe S r l Details of the disposal can be found in note 10 of the accounts During the fiscal year the Company also received a dividend of £4,954,000 from Jetix Europe S r l Dividends received of £683,000 in the prior year were received from Jetix Espana S L

10 Exceptional items

As stated in note 9, Jetix Europe Ltd sold its 68 06% interest in Jetix Europe S r l for £1,751,191 As a result, a gain on the sale of the investment of £1,355,351 was recognised

11 Debtors

	2009 £'000	2008 £'000
Trade debtors	1,305	1,691
Other taxation and social security	60	327
Due from Group undertakings	8,360	6,486
Prepayments and accrued income	739	1,410
	10,464	9,914

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

The carrying value of trade, other and related party debtors approximate fair value

12 Creditors amounts falling due within one year

	2009 £'000	2008 £'000
Trade creditors	3,197	985
Due to Group undertakings	2,781	786
Accruals and deferred income	3,708	3,674
	9,686	5,445

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

The carrying value of trade, other and related party creditors approximate fair value

13 Called-up share capital and reserves

	2009 £'000	2008 £'000
Ordinary £1 equity shares		
10,000,000 authorised	10,000	10,000
10,000,000 (2008 5,951,000) allotted, called up and fully paid	5,951	5,951

	Called-up share capital £' 000	Share premium £' 000	Profit and loss account £' 000	Total £' 000
At 1 October 2008	5,951	53,858	(52,184)	7,625
Profit for the financial year	-	-	593	593
At 30 September 2009	5,951	53,858	(51,591)	8,218

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14 Share-based payments

Jetix Europe Ltd employees have been granted stock options under the Jetix Discretionary Stock Option Scheme operated by Jetix Europe N V Jetix Europe N V may grant options to acquire shares to personnel at exercise prices equal to or exceeding the market price at the date of grant Options vest equally over a four-year period from the date of grant and expire ten years after the date of grant Jetix Europe N V has no legal or constructive obligation to repurchase or settle the options in cash Movements in the number of Jetix share options outstanding and their related weighted average exercise prices are as follow

	2009 Weighted average exercise price in Euro per share	Options	2008 Weighted average exercise price in Euro per share	Options
At 1 October	13 59	17,500	12 90	38,250
Exercised	-	-	12 31	(20,750)
Forfeited	13 59	(17,500)	-	-
At 30 September	-	-	13 59	17,500

No share options were granted during the year ended 30 September 2009 (2008 None)

The weighted average share price of Jetix options exercised during the year was €nil (2008 €18 02)

14 Share-based payments (continued)

The movement in issued Jetix options during the year to 30 September 2009 classified by exercise price is as follows

Exercise price – Euro	Outstanding at 1 October 2008	Awards forfeited	Outstanding at 30 September 2009
13 59	17,500	17,500	-
	17,500	17,500	-

There were no awards forfeited during the year ended 30 September 2009

Certain Jetix Europe Limited employees have also been granted restricted shares Details of the restricted shares activity is as follows

	2009 Number of restricted shares	2008 Number of restricted shares
At 1 October	128,633	90,105
Granted	-	49,901
Forfeited	(41,387)	(11,373)
Exercised	(49,799)	-
At 30 September	37,447	128,633

Fiscal year of vesting for restricted shares outstanding at 30 September 2009

	Number of restricted shares
2010	12,952
2011	11,543
2012	12,952

The restricted stock, issued during 2005, 2007 and 2008, vest in two equal parts at 24 months and 48 months from the grant date, respectively There are no performance conditions attached to the issue

The liability related to the restricted shares at 30 September 2009 is £0 2million (2008 £0 9 million)

The total share based compensation credit recognised for the year ended 30 September 2009 was £(0 5) million (2008 £1 0 million charge), comprising of a share option charge of £nil (2008 £0 3 million) and restricted share credit of £(0 5) million (2008 £0 7 million charge)

15 Guarantees and other financial commitments

Lease commitments

At 30 September 2009 the Company was committed to make the following payments during the next year in respect of operating leases

	2009 Building and equipment	Other	2008 Building and equipment	Other
Operating leases which expire	£'000	£'000	£'000	£'000
Within one year	4,488	-	6,568	2,249
In two to five years	12,922	-	1,140	-
After five years	-	-	-	-
	17,409	-	7,708	2,249

Pensions commitments

The Company operates a defined contribution scheme for certain employees There are no unpaid contributions outstanding at 30 September 2009 (2008 £nil)

16 Ultimate parent Company

The Company is a subsidiary undertaking of Jetix Europe Channels B V , a company incorporated in the Netherlands

The ultimate parent company is The Walt Disney Company Inc ("Disney"), a company incorporated in the United States of America

The largest group in which the Company's financial statements are consolidated is that headed by The Walt Disney Company Inc These financial statements are available to the public and can be obtained from The Walt Disney Company Inc , 500 South Buena Vista Street, Burbank CA 91521, United States of America

17 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 Inc whose consolidated accounts are available to the public

18 Post balance sheet events

On 1 October 2009, the Company sold its trade and assets to The Walt Disney Company Ltd for $228,839,000 The purchase price will be deferred and loaned by the Company and will incur interest payable on a quarterly basis The sale is expected to result in a gain of approximately £136 million Following the sale of the Company's trade and assets all commitments are to be assumed by The Walt Disney Company Ltd