

SHOE PRODUCTIONS LIMITED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2005

Company Registration Number 05268806

SHOE PRODUCTIONS LIMITED
FINANCIAL STATEMENTS
PERIOD FROM 25 OCTOBER 2004 TO 30 SEPTEMBER 2005

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SHOE PRODUCTIONS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS
YEAR ENDED 30 SEPTEMBER 2005

The board of directors	K Jones C H Rose
Company secretary	Olswang Sosec Limited
Registered office	90 High Holborn London WC1V 6XX
Auditors	Tenon Audit Limited Registered Auditor 66 Chiltern Street London W1U 4JT
Bankers	HSBC Bank Plc 8 Canada Square London E14 5XL

SHOE PRODUCTIONS LIMITED

THE DIRECTORS' REPORT

PERIOD FROM 25 OCTOBER 2004 TO 30 SEPTEMBER 2005

The directors present their report and the financial statements of the company for the period from 25 October 2004 to 30 September 2005.

Principal activities and business review

The company was incorporated on 25 October 2004 and started trading on the same day. The principal activity of the company during the period was that of a film production agent for the film "Kinky Boots". During the period the film "Kinky Boots" was completed. Though the directors have been unable to secure any future projects they consider the company's activities to be continuing.

Results and dividends

The trading results for the period and the company's financial position at the end of the period are shown in the attached financial statements.

The directors have not recommended a dividend.

Directors

The directors who served the company during the period were as follows:

K Jones
C H Rose

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

K Jones was appointed as a director on 25 October 2004.
C H Rose was appointed as a director on 25 October 2004.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 those 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 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors 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.

SHOE PRODUCTIONS LIMITED

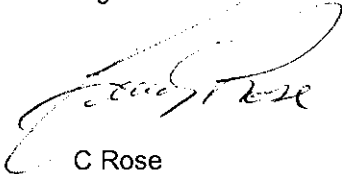
THE DIRECTORS' REPORT *(continued)*

PERIOD FROM 25 OCTOBER 2004 TO 30 SEPTEMBER 2005

Auditors

Tenon Audit Limited were appointed as first auditors for the company and in accordance with section 385 of the Companies Act 1985, a resolution to reappoint Tenon Audit Limited will be proposed at the next annual general meeting.

Signed on behalf of the directors



C Rose

Director

Approved by the directors on 8 December 2006

SHOE PRODUCTIONS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF SHOE PRODUCTIONS LIMITED

PERIOD FROM 25 OCTOBER 2004 TO 30 SEPTEMBER 2005

We have audited the financial statements of Shoe Productions Limited for the period from 25 October 2004 to 30 September 2005 on pages 6 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the company's member, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

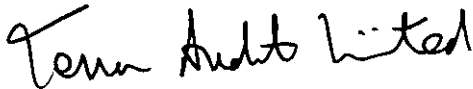
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

SHOE PRODUCTIONS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF SHOE
PRODUCTIONS LIMITED *(continued)*

PERIOD FROM 25 OCTOBER 2004 TO 30 SEPTEMBER 2005

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2005 and of its loss for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.



Tenon Audit Limited
Registered Auditor
66 Chiltern Street
London
W1U 4JT

8 December 2006

SHOE PRODUCTIONS LIMITED

PROFIT AND LOSS ACCOUNT

PERIOD FROM 25 OCTOBER 2004 TO 30 SEPTEMBER 2005

	Note	Period from 25 Oct 04 to 30 Sep 05 £
Turnover	2	5,000
Administrative expenses		(8,000)
Loss on ordinary activities before taxation		<u>(3,000)</u>
Tax on loss on ordinary activities	5	—
Loss for the financial period		<u><u>(3,000)</u></u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the period as set out above.

The notes on page 6 form part of these financial statements.

SHOE PRODUCTIONS LIMITED

BALANCE SHEET

30 SEPTEMBER 2005

	Note	£	30 Sep 05 £
Current assets			
Debtors	6	55,824	
Cash at bank and in hand		1,485,587	
		<u>1,541,411</u>	
Creditors: Amounts falling due within one year	7	<u>(1,544,410)</u>	
Net current liabilities			(2,999)
Total assets less current liabilities			<u>(2,999)</u>
Capital and reserves			
Called-up share capital	10		1
Profit and loss account	11		(3,000)
Shareholder's funds	12		<u>(2,999)</u>

These financial statements were approved by the directors on the 8 December 2005 and are signed on their behalf by:


C Rose
Director

The notes on page 7 form part of these financial statements.

SHOE PRODUCTIONS LIMITED**CASH FLOW STATEMENT****PERIOD FROM 25 OCTOBER 2004 TO 30 SEPTEMBER 2005**

	Note	£	Period from 25 Oct 04 to 30 Sep 05 £
Net cash inflow from operating activities	13		1,485,586
Cash inflow before financing			<u>1,485,586</u>
Financing			
Issue of equity share capital		1	
Net cash inflow from financing			<u>1</u>
Increase in cash	13		<u><u>1,485,587</u></u>

The notes on page 8 form part of these financial statements.

SHOE PRODUCTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM 25 OCTOBER 2004 TO 30 SEPTEMBER 2005

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

The turnover shown in the profit and loss accounts, represents amounts receivable for services rendered during the period, net of VAT and trade discounts.

Film production expenditure

Amounts have been advanced to the company by Price Productions Limited for the production, as a work for hire, of the film "Kinky Boots". Such advances are in consideration of the assignment to the financier for all valuable rights. The sums advanced up to the final cost of production are not repayable by Shoe Productions Limited. Accordingly, the film production expenditure and related advances are not shown in the financial statements of the company.

Going concern

The activities of the company continue to be supported by its parent company The Walt Disney Company which has provided sufficient finance to enable the company to continue its operations. This support shall continue to be provided, which has been confirmed in writing by the directors, and therefore the directors consider the financial statements should be prepared on a going concern basis to give a true and fair view.

2. Turnover

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	Period from 25 Oct 04 to 30 Sep 05 £
United Kingdom	<u>5,000</u>

3. Operating loss

Operating loss is stated after charging:

	Period from 25 Oct 04 to 30 Sep 05 £
Auditors' remuneration	<u>5,000</u>

4. Particulars of employees

No salaries or wages have been paid to employees, including the directors, during the period.

SHOE PRODUCTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM 25 OCTOBER 2004 TO 30 SEPTEMBER 2005

5. Taxation on ordinary activities

Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 30%.

	Period from 25 Oct 04 to 30 Sep 05 £
Loss on ordinary activities before taxation	(3,000)
Loss on ordinary activities by rate of tax	(900)
Effects of: Unrelieved tax losses	900
Total current tax	-

6. Debtors

	30 Sep 05 £
VAT recoverable	55,824

7. Creditors: Amounts falling due within one year

	30 Sep 05 £
Trade creditors	5,471
Amounts owed to group undertakings	1,323,402
Other creditors	207,537
Accruals and deferred income	8,000
	1,544,410

8. Contingencies

Price Productions Limited (formerly known as Lombard Corporate Finance (17) Limited) holds a deed of charge over Shoe Productions Limited in respect of all pre print elements of the film entitled "Kinky Boots".

9. Related party transactions

The company is a wholly owned subsidiary of the ultimate parent company and utilises the exemption contained in FRS 8, Related Party Disclosures, not to disclose any transactions with entities that are included in the financial statements of the ultimate parent company. The address at which the consolidated financial statements of the ultimate parent company are publicly available is included in note 14.

SHOE PRODUCTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM 25 OCTOBER 2004 TO 30 SEPTEMBER 2005

10. Share capital

Authorised share capital:

	30 Sep 05
	£
1,000 Ordinary shares of £1 each	<u>1,000</u>

Allotted, called up and fully paid:

	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

11. Profit and loss account

	Period from 25 Oct 04 to 30 Sep 05
	£
Accumulated loss for the financial period	(3,000)
Balance carried forward	<u>(3,000)</u>

12. Reconciliation of movements in shareholder's funds

	30 Sep 05
	£
Loss for the financial period	(3,000)
New equity share capital subscribed	<u>1</u>
Net reduction to shareholder's equity funds	(2,999)
Closing shareholder's equity deficit	<u>(2,999)</u>

13. Notes to the statement of cash flows

Reconciliation of operating loss to net cash inflow from operating activities

	Period from 25 Oct 04 to 30 Sep 05
	£
Operating loss	(3,000)
Increase in debtors	(55,824)
Increase in creditors	<u>1,544,410</u>
Net cash inflow from operating activities	<u>1,485,586</u>

SHOE PRODUCTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
PERIOD FROM 25 OCTOBER 2004 TO 30 SEPTEMBER 2005

13. Notes to the statement of cash flows (continued)

Reconciliation of net cash flow to movement in net funds

	30 Sep 05
	£
Increase in cash in the period	1,485,587
Movement in net funds in the period	<u>1,485,587</u>
Net funds at 25 October 2004	<u>—</u>
Net funds at 30 September 2005	<u>1,485,587</u>

Analysis of changes in net funds

	At		At
	25 October	Cash flows	30
	2004	£	September
	£		2005
			£
Net cash:			
Cash in hand and at bank	—	1,485,587	1,485,587
Net funds	<u>—</u>	<u>1,485,587</u>	<u>1,485,587</u>

14. Ultimate parent company

The immediate parent company is The Walt Disney Company Limited. The directors regard The Walt Disney Company, a company incorporated in The United States of America, as the ultimate parent company.

The largest group for which accounts are prepared and which the company is a member, is The Walt Disney Company. Copies of group accounts of The Walt Disney Company can be obtained from 500 Buena Vista Street, Burbank, California, 91521, USA.

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