

**DAGGER OF TIME PRODUCTIONS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2011**

**Company Registration Number 6420561**

**RSM Tenon Limited**  
66 Chiltern Street  
London  
W1U 4JT

THURSDAY



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28/06/2012  
COMPANIES HOUSE

**DAGGER OF TIME PRODUCTIONS LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2011**

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**DAGGER OF TIME PRODUCTIONS LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**  
**YEAR ENDED 30 SEPTEMBER 2011**

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<b>The board of directors</b>	N Cook M Reed P D Steinke M Reed
<b>Company secretary</b>	M Reed
<b>Registered office</b>	3 Queen Caroline Street Hammersmith London W6 9PE
<b>Auditor</b>	RSM Tenon Audit Limited 66 Chiltern Street London W1U 4JT
<b>Accountants</b>	RSM Tenon Limited 66 Chiltern Street London W1U 4JT

# DAGGER OF TIME PRODUCTIONS LIMITED

## THE DIRECTORS' REPORT

YEAR ENDED 30 SEPTEMBER 2011

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The directors present their report and the financial statements of the company for the year ended 30 September 2011

### Principal activities and business review

The principal activity of the company during the year was that of motion picture and video production

During the year the company was involved in paying the final costs for the film "Prince of Persia", which was released on 21 May 2010. The company incurred a loss of £5,262 before tax (2010 - £65,758), and at the year end it had net assets of £35,002 (2010 - £35,002). A film tax credit settlement of £5,262 (2010 - £65,848) relating to the year is expected to be received from HMRC.

The directors have reviewed the risks and resultant uncertainties facing the company and consider the principal risks to be legislative changes and the state of the national economy.

The directors have also assessed further risks and uncertainties facing the business, as being the ability to secure future contracts. However, the parent company has provided sufficient assurances that it will continue to support the company and provide the necessary finances for its future operations.

### Results and dividends

The profit for the year amounted to £nil. The directors have not recommended a dividend.

### Financial risk management objectives and policies

The company makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the company.

### Directors

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

N Cook  
M Reed  
P D Steinke  
M Reed

### Auditor

RSM Tenon Audit Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Signed on behalf of the directors



N Cook  
Director

Approved by the directors on 26/6/2012

**DAGGER OF TIME PRODUCTIONS LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**YEAR ENDED 30 SEPTEMBER 2011**

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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 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 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, and
- 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.

In so far as the directors are, individually, aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**DAGGER OF TIME PRODUCTIONS LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAGGER**  
**OF TIME PRODUCTIONS LIMITED**  
**YEAR ENDED 30 SEPTEMBER 2011**

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We have audited the financial statements of Dagger Of Time Productions Limited for the year ended 30 September 2011 on pages 6 to 13. 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

**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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report 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 2011 and of its result 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 matters 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.

**DAGGER OF TIME PRODUCTIONS LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAGGER**  
**OF TIME PRODUCTIONS LIMITED** *(continued)*

**YEAR ENDED 30 SEPTEMBER 2011**

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**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

*John Graydon*

John Graydon, Senior Statutory Auditor  
For and on behalf of

RSM Tenon Audit Limited  
Statutory Auditor  
66 Chiltern Street  
London  
W1U 4JT

*28/6/12*

**DAGGER OF TIME PRODUCTIONS LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 30 SEPTEMBER 2011**

	Note	Year to 30 Sep 11 £	<i>Period from 1 Jan 10 to 30 Sep 10 £</i>
<b>Turnover</b>	2	34,558	1,196,636
Cost of sales		(35,662)	(1,254,394)
<b>Gross loss</b>		(1,104)	(57,758)
Administrative expenses		(4,158)	(8,000)
<b>Loss on ordinary activities before taxation</b>		(5,262)	(65,758)
Tax on loss on ordinary activities	5	5,262	65,848
<b>Profit for the financial year</b>		—	90

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 year as set out above

The notes on pages 9 to 13 form part of these financial statements



**DAGGER OF TIME PRODUCTIONS LIMITED***Registered Number 6420561***BALANCE SHEET****30 SEPTEMBER 2011**

	Note	2011 £	£	2010 £	£
<b>Current assets</b>					
Debtors	6	5,582		158,969	
Cash at bank and in hand		213,828		162,972	
		<u>219,410</u>		<u>321,941</u>	
<b>Creditors: Amounts falling due within one year</b>	7	<u>(184,408)</u>		<u>(286,939)</u>	
<b>Net current assets</b>			<u>35,002</u>		<u>35,002</u>
<b>Capital and reserves</b>					
Called-up share capital	10		1		1
Profit and loss account	11		35,001		35,001
<b>Shareholders' funds</b>	12		<u>35,002</u>		<u>35,002</u>

These financial statements were approved by the directors and authorised for issue on 26/6/2012, and are signed on their behalf by

N Cook

Director



The notes on pages 9 to 13 form part of these financial statements

**DAGGER OF TIME PRODUCTIONS LIMITED**

**CASH FLOW STATEMENT**

**YEAR ENDED 30 SEPTEMBER 2011**

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		<b>Year to</b>		<i>Period from</i>	
	<b>Note</b>	<b>30 Sep 11</b>		<i>1 Jan 10 to</i>	
		<b>£</b>	<b>£</b>	<i>30 Sep 10</i>	<b>£</b>
<b>Net cash outflow from operating activities</b>	13		(14,992)		(4,871,172)
<b>Taxation</b>			65,848		4,890,130
<b>Increase in cash</b>	13		<u>50,856</u>		<u>18,958</u>

The notes on pages 9 to 13 form part of these financial statements

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**DAGGER OF TIME PRODUCTIONS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2011**

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**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 account represents amounts receivable in respect of film production during the year, exclusive of Valued Added Tax

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. The value of work done in respect of long-term contracts and contracts for on-going services is determined by reference to the stage of completion

**Foreign currencies**

Transactions denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions, or at an average rate for the period if the rates do not fluctuate significantly. Monetary assets and liabilities are translated at year end exchange rates or, where appropriate, at rates of exchange fixed under the terms of the relevant transaction. The resulting exchange rate differences are charged to the profit and loss account

**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

	<b>Year to 30 Sep 11 £</b>	<i>Period from 1 Jan 10 to 30 Sep 10 £</i>
United States of America	<u>34,558</u>	<u>1,196,636</u>

**3. Operating loss**

Operating loss is stated after charging

	<b>Year to 30 Sep 11 £</b>	<i>Period from 1 Jan 10 to 30 Sep 10 £</i>
Directors' remuneration	—	—
Auditor's remuneration - audit of the financial statements	2,658	6,000
Auditor's remuneration - other fees	<u>1,500</u>	<u>2,000</u>

**DAGGER OF TIME PRODUCTIONS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2011**

	2011 £	2010 £
Auditor's remuneration - audit of the financial statements	<u>2,658</u>	<u>6,000</u>
Auditor's remuneration - other fees		
- Accountancy services	750	1,000
- Taxation services	<u>750</u>	<u>1,000</u>
	<u>1,500</u>	<u>2,000</u>

**4. Particulars of employees**

The average number of staff employed by the company during the financial year amounted to

	Year to 30 Sep 11 No	Period from 1 Jan 10 to 30 Sep 10 No
Number of production staff	<u>-</u>	<u>2</u>

The aggregate payroll costs of the above were

	Year to 30 Sep 11 £	Period from 1 Jan 10 to 30 Sep 10 £
Wages and salaries	-	77,895
Social security costs	<u>-</u>	<u>4,558</u>
	<u>-</u>	<u>82,453</u>

**5 Taxation on ordinary activities**

**(a) Analysis of charge in the year**

	Year to 30 Sep 11 £	Period from 1 Jan 10 to 30 Sep 10 £
UK Corporation tax	<u>(5,262)</u>	<u>(65,848)</u>

**DAGGER OF TIME PRODUCTIONS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2011**

**5. Taxation on ordinary activities (continued)**

**(b) Factors affecting current tax charge**

	Year to 30 Sep 11 £	Period from 1 Jan 10 to 30 Sep 10 £
Loss on ordinary activities before taxation	(5,262)	(65,758)
Loss on ordinary activities by rate of tax	(1,420)	(18,413)
Effects of		
Enhanced losses arising from film tax credit	(5,684)	(73,775)
Difference between the rate of corporation tax and the rate of relief under film tax credit	1,842	26,340
Total current tax (note 5(a))	(5,262)	(65,848)

**6. Debtors**

	2011 £	2010 £
Amounts owed by group undertakings	–	50,227
Corporation tax repayable	5,262	65,848
VAT recoverable	319	–
Other debtors	1	42,894
	<u>5,582</u>	<u>158,969</u>

**7. Creditors: Amounts falling due within one year**

	2011 £	2010 £
Amounts owed to group undertakings	181,408	–
Other creditors	–	273,603
Accruals and deferred income	3,000	13,336
	<u>184,408</u>	<u>286,939</u>

**8. Charges**

Walt Disney Pictures holds a first fixed and floating charge and security assignment over Dagger of Time Productions Ltd in respect of the entire copyright and all the underlying rights, title and interest in and to the film "Prince of Persia", all collateral, allied, ancillary and subsidiary rights therein, and all physical properties of every kind and nature of or relating to the film

**9. Related party transactions**

The company has taken advantage of the exemption granted in FRS 8 'Related party disclosures' from disclosure of transactions entered into with the ultimate parent company, as it is wholly owned by a member of the group headed by that company

**DAGGER OF TIME PRODUCTIONS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2011**

**10. Share capital**

**Authorised share capital:**

	2011 £	2010 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

**Allotted, called up and fully paid:**

	2011 No	£	2010 No	£
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

**11 Profit and loss account**

	Year to 30 Sep 11 £	Period from 1 Jan 10 to 30 Sep 10 £
Balance brought forward	35,001	34,911
Profit for the financial year	<u>—</u>	<u>90</u>
Balance carried forward	<u>35,001</u>	<u>35,001</u>

**12 Reconciliation of movements in shareholders' funds**

	2011 £	2010 £
Profit for the financial year	—	90
Opening shareholders' funds	35,002	34,912
Closing shareholders' funds	<u>35,002</u>	<u>35,002</u>

**13 Notes to the cash flow statement**

**Reconciliation of operating loss to net cash outflow from operating activities**

	Year to 30 Sep 11 £	Period from 1 Jan 10 to 30 Sep 10 £
Operating loss	(5,262)	(65,758)
Decrease in debtors	92,801	917,749
Decrease in creditors	<u>(102,531)</u>	<u>(5,723,163)</u>
Net cash outflow from operating activities	<u>(14,992)</u>	<u>(4,871,172)</u>

**DAGGER OF TIME PRODUCTIONS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2011**

**13. Notes to the cash flow statement (continued)**

**Reconciliation of net cash flow to movement in net funds**

	2011 £	2010 £
Increase in cash in the period	50,856	18,958
Movement in net funds in the period	50,856	18,958
Net funds at 1 October 2010	162,972	144,014
Net funds at 30 September 2011	<u>213,828</u>	<u>162,972</u>

**Analysis of changes in net funds**

	At 1 October 2010 £	Cash flows £	At 30 September 2011 £
Net cash			
Cash in hand and at bank	162,972	50,856	213,828
Net funds	<u>162,972</u>	<u>50,856</u>	<u>213,828</u>

**14. Parent undertaking and controlling party**

The company's immediate parent undertaking is Banner Productions Ltd, a company registered in England and Wales

The largest group for which accounts are prepared and which the company is a member, is The Walt Disney Company, a company incorporated in the United States of America

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