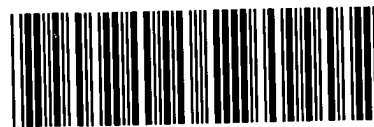


**Company Registration No. 10116815 (England and Wales)**

**Carbonado Industries (UK) Limited**

**Annual report and financial statements  
for the period ended 28 July 2018**

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COMPANIES HOUSE

## **Carbonado Industries (UK) Limited**

### **Company information**

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<b>Directors</b>	Ilene Aultman Russell Haywood Rhonda Hjort
<b>Company number</b>	10116815
<b>Registered office</b>	3 Queen Caroline Street Hammersmith London W6 9PE
<b>Independent auditor</b>	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE

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## **Carbonado Industries (UK) Limited**

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## **Carbonado Industries (UK) Limited**

### **Directors' report**

**For the period ended 28 July 2018**

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The directors present their annual report and financial statements for the period ended 28 July 2018.

#### **Principal activities**

The principal activity of the company continued to be that of motion picture production.

#### **Directors**

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Ilene Aultman  
Russell Haywood  
Rhonda Hjort

#### **Results and dividends**

The results for the period are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### **Future developments**

The directors expect to continue the principal activity for the foreseeable future given the continued financial support received from its financiers, LFL Productions LLC, a wholly owned subsidiary of the ultimate parent company, The Walt Disney Company.

#### **Auditor**

The auditor, Saffery Champness LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

**Carbonado Industries (UK) Limited**

**Directors' report (continued)**

**For the period ended 28 July 2018**

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**Statement of directors' responsibilities**

The directors are responsible for preparing the annual 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

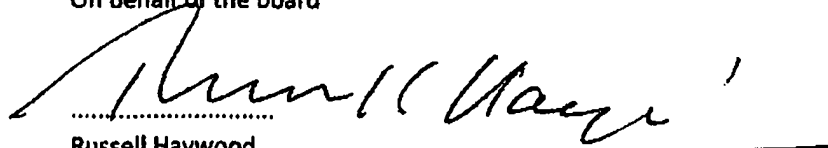
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

**Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

  
.....  
Russell Haywood  
Director  
Date: 14.11.18

## **Carbonado Industries (UK) Limited**

### **Independent auditor's report**

**To the member of Carbonado Industries (UK) Limited**

---

#### **Opinion**

We have audited the financial statements of Carbonado Industries (UK) Limited (the 'company') for the period ended 28 July 2018 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 July 2018 and of its profit for the period 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.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Independent auditor's report (continued)**

**To the member of Carbonado Industries (UK) Limited**

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**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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; or
- the company is not entitled to claim exemption in preparing a strategic report due to it being a member of an ineligible group.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Carbonado Industries (UK) Limited**

**Independent auditor's report (continued)**

**To the member of Carbonado Industries (UK) Limited**

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**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

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.

*John Graydon*

**John Graydon (Senior Statutory Auditor)**  
**for and on behalf of Saffery Champness LLP**

*30/11/18*  
.....

**Chartered Accountants**  
**Statutory Auditors**

71 Queen Victoria Street  
London  
EC4V 4BE



**Carbonado Industries (UK) Limited****Statement of comprehensive income  
For the period ended 28 July 2018**

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		<b>Period ended 28 July 2018 £</b>	<b>Period ended 28 April 2017 £</b>
	<b>Notes</b>		
<b>Turnover</b>	<b>3</b>	52,934,825	4,259,706
<b>Cost of sales</b>		(64,940,216)	(4,856,003)
<b>Gross loss</b>		(12,005,391)	(596,297)
<b>Administrative expenses</b>		(36,582)	14,965
<b>Loss before taxation</b>		(12,041,973)	(581,332)
<b>Tax on loss</b>	<b>6</b>	12,048,785	581,332
<b>Profit for the financial period</b>		6,812	-

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The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

**Carbonado Industries (UK) Limited**

**Balance sheet**  
**As at 28 July 2018**

	Notes	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Tangible assets	7		1,477,790		-
<b>Current assets</b>					
Debtors	8	31,648,346		744,488	
Cash at bank and in hand		4,720,840		318,578	
		36,369,186		1,063,066	
Creditors: amounts falling due within one year	9	(37,840,163)		(1,063,065)	
<b>Net current (liabilities)/assets</b>			(1,470,977)		1
<b>Total assets less current liabilities</b>			6,813		1
<b>Capital and reserves</b>					
Called up share capital	10		1		1
Profit and loss reserves			6,812		-
<b>Total equity</b>			6,813		1

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 14.11.18 and are signed on its behalf by:

  
.....  
Russell Haywood  
Director

Company Registration No. 10116815

**Carbonado Industries (UK) Limited**

**Statement of changes in equity  
For the period ended 28 July 2018**

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
<b>Balance at 11 April 2016</b>		-	-	-
<b>Period ended 28 April 2017:</b>				
Profit and total comprehensive income for the period		-	-	-
Issue of share capital	<b>10</b>	1	-	1
		<u>1</u>	<u>-</u>	<u>1</u>
<b>Balance at 28 April 2017</b>		1	-	1
<b>Period ended 28 July 2018:</b>				
Profit and total comprehensive income for the period		-	6,812	6,812
		<u>-</u>	<u>6,812</u>	<u>6,812</u>
<b>Balance at 28 July 2018</b>		<u>1</u>	<u>6,812</u>	<u>6,813</u>

## **Carbonado Industries (UK) Limited**

### **Notes to the financial statements**

**For the period ended 28 July 2018**

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#### **1 Accounting policies**

##### **Company information**

Carbonado Industries (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 3 Queen Caroline Street, Hammersmith, London, W6 9PE.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' - Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of The Walt Disney Company. These consolidated financial statements are available from its registered office, 500 Buena Vista Street, Burbank, California, 91521, USA.

##### **1.2 Reporting period**

The financial statements are presented for the period 01 May 2017 to 28 July 2018, a period of 14 months and 28 days. This is to coincide with the stage of completion of the project.

##### **1.3 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**1 Accounting policies (continued)**

**1.4 Turnover**

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

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the period in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

**1.5 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	4 years straight line method
Fixtures and fittings	5 years straight line method
Office equipment	5 years straight line method

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**1.6 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

**1 Accounting policies (continued)**

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.7 Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.8 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**1 Accounting policies (continued)**

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.10 Taxation**

The tax expense represents the sum of the tax currently recoverable and deferred tax.

***Current tax***

The tax currently recoverable is based on relievable losses arising in the year as the result of film tax relief legislation. Relievable losses differ from net losses as reported in the profit and loss account because they include an additional deduction relating to qualifying film development expenditure and exclude items of income or expense that are taxable or deductible in other years, as well as items that are never taxable or deductible. The company's tax position is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

**1 Accounting policies (continued)**

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.12 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions where practicable, else at the average rate over the period in which the transactions were incurred. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date.



**2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**3 Turnover and other revenue**

An analysis of the company's turnover is as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Turnover analysed by class of business</b>		
Film Production	52,934,825	4,259,706
	<u>                    </u>	<u>                    </u>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Turnover analysed by geographical market</b>		
United States of America	52,934,825	4,259,706
	<u>                    </u>	<u>                    </u>

**4 Employees**

The average monthly number of persons (excluding directors) employed by the company during the period was:

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Production staff	102	12
	<u>                    </u>	<u>                    </u>

**Carbonado Industries (UK) Limited****Notes to the financial statements (continued)****For the period ended 28 July 2018****4 Employees (continued)**

Their aggregate remuneration comprised:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,270,992	216,223
Social security costs	489,529	26,129
	<u>4,760,521</u>	<u>242,352</u>

Directors remuneration amounting to £nil has been paid during the period (2017 : £nil).

**5 Operating loss**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Operating loss for the period is stated after charging/(crediting):		
Foreign exchange differences on translation	-	(24,965)
Fees payable to the company's auditor for the audit of the company's financial statements	32,582	8,000
Fees payable to the company's auditor for non-audit services	4,000	2,000
Depreciation of owned tangible fixed assets	191,420	-
Operating lease charges	<u>9,774,383</u>	<u>-</u>

**6 Taxation**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	<u>(12,048,785)</u>	<u>(581,332)</u>

**Carbonado Industries (UK) Limited**

**Notes to the financial statements (continued)**

**For the period ended 28 July 2018**

**6 Taxation (continued)**

The actual credit for the period can be reconciled to the expected credit for the period based on the profit or loss and the standard rate of tax as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Loss before taxation	(12,041,973)	(581,332)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.93%)	(2,287,975)	(115,859)
Enhanced losses arising from the film tax credit	(9,196,090)	(484,180)
Difference between the rate of the corporation tax and the rate of relief under the film tax credit	(2,891,708)	(117,896)
Losses created in the period	2,326,988	136,603
Taxation credit for the period	(12,048,785)	(581,332)

**7 Tangible fixed assets**

	<b>Leasehold Fixtures and improvements</b>	<b>fittings</b>	<b>Office equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 29 April 2017	-	-	-	-
Additions	1,252,417	277,039	139,754	1,669,210
At 28 July 2018	1,252,417	277,039	139,754	1,669,210
<b>Depreciation and impairment</b>				
At 29 April 2017	-	-	-	-
Depreciation charged in the period	134,764	38,414	18,242	191,420
At 28 July 2018	134,764	38,414	18,242	191,420
<b>Carrying amount</b>				
At 28 July 2018	1,117,653	238,625	121,512	1,477,790
At 28 April 2017	-	-	-	-

**Carbonado Industries (UK) Limited****Notes to the financial statements (continued)****For the period ended 28 July 2018****8 Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Corporation tax recoverable	12,048,785	581,332
Amounts owed from group undertakings	53,188	34,548
Other debtors	4,939,200	128,608
Prepayments and accrued income	14,607,173	-
	<u>31,648,346</u>	<u>744,488</u>

**9 Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	256,399	49,088
Amounts due to group undertakings	31,331,048	716,740
Other taxation and social security	689,943	-
Other creditors	805,374	-
Accruals and deferred income	4,757,399	297,237
	<u>37,840,163</u>	<u>1,063,065</u>

**10 Share capital**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1 Ordinary share of £1 each	1	1
	<u>1</u>	<u>1</u>

## Carbonado Industries (UK) Limited

### Notes to the financial statements (continued)

For the period ended 28 July 2018

#### 11 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	7,859,843	9,774,383
Between two and five years	-	7,859,843
	<u>7,859,843</u>	<u>17,634,226</u>

#### 12 Related party transactions

The company was under control of LFL Productions Limited, a company incorporated in England and Wales, throughout the current period. LFL Productions Limited owns 100% of the issued shares of the company.

The company has taken the advantage of the exemption available under FRS 102 Section 33.1A whereby disclosure need not be given of transactions entered into between two or more members of a group, provided that any subsidiary which is party to the transaction is wholly owned by such a member.

#### 13 Controlling party

The immediate parent undertaking is LFL Productions Limited, a company registered in England and Wales.

The smallest and largest group in which the results of the company are consolidated is that headed by its ultimate parent undertaking, The Walt Disney Company, a company incorporated in the United States of America. 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.