

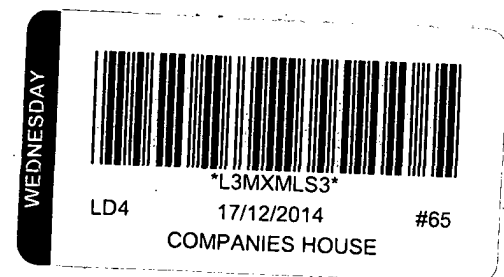
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**TIMELESS RELEASING LLP**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 5 APRIL 2014**



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## TIMELESS RELEASING LLP

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**TIMELESS RELEASING LLP**

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**INFORMATION**

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**Designated Members**

Future Films (Partnership Services) Limited  
Future Films (Management Services) Limited

**LLP registered number**

OC305320

**Registered Office**

10 Old Burlington Street  
London  
W1S 3AG

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## **TIMELESS RELEASING LLP**

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### **MEMBERS' REPORT FOR THE YEAR ENDED 5 APRIL 2014**

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The members present their annual report together with the unaudited financial statements of Timeless Releasing LLP ("the LLP") for the year ended 5 April 2014.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the LLP in the year under review was that of exploitation of films, licensed to Miramax Film Corp and Walt Disney Pictures and Television or affiliates thereof.

#### **DESIGNATED MEMBERS**

The following designated members have held office since 6 April 2013:

Future Films (Partnership Services) Limited  
Future Films (Management Services) Limited

The profit for the year before members' remuneration and profit shares was £3,928,882 (2013: £4,073,713).

#### **MEMBERS' CAPITAL AND INTERESTS**

During the period the members received additional profit distributions. The level and timing of the additional profit distributions is decided by taking into account the partnership's cash requirements for operating and investment activities. The profit distributions represent payments on account of current year profits and are reclaimable from members until profits have been allocated. Any over-distribution of profits during the period is also recoverable from members.

As such, prior to allocation of profits and their division between members, on-account profit distributions are shown as debtors. Unallocated profits are shown in "Members' other interest".

The capital requirements of the partnership are determined by the Partnership Agreement. Each member is required to subscribe a proportion of this capital. The amount of capital subscribed by each member is usually linked to the earnings allocated to that member. No interest is paid on capital. On leaving the partnership, a member's capital is repayable as set out in the Partnership Agreement.

During the period up to 5 April 2014 no members' interests were transferred from capital to debt.

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## TIMELESS RELEASING LLP

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### MEMBERS' REPORT (continued) FOR THE YEAR ENDED 5 APRIL 2014

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#### MEMBERS RESPONSIBILITY STATEMENT

The members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law, as applied to LLPs, requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, as applied to LLPs, the members 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 LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members 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 LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP 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 LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for the maintenance and integrity of the LLP and financial information included on the LLP's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### ON BEHALF OF THE MEMBERS

  
\_\_\_\_\_  
Future Film (Partnership Services) Limited  
Designated Member

Date: 9/12/14

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**TIMELESS RELEASING LLP**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 5 APRIL 2014**

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	Note	2014 £	2013 £
Turnover	1	4,894,703	6,241,621
Administrative expenses		(965,821)	(2,167,908)
Operating profit		<u>3,928,882</u>	<u>4,073,713</u>
Net profit for the financial year before members' remuneration and profit shares		<u>3,928,882</u>	<u>4,073,713</u>
Net profit for the financial year before members' remuneration and profit shares		3,928,882	4,073,713
Members' remuneration charged as an expense		(3,928,882)	(4,073,713)
Result for the financial year available for discretionary division among members		<u>-</u>	<u>-</u>

The notes on pages 7 to 9 form part of these financial statements

**TIMELESS RELEASING LLP**

**BALANCE SHEET  
FOR THE YEAR ENDED 5 APRIL 2014**

	Note	2014 £	2013 £
<b>Current assets</b>			
Debtors	3	4,907,222	6,626,210
Cash at bank		55,720	80,206
		<u>4,962,942</u>	<u>6,706,416</u>
Creditors: amounts falling due within one year	4	(3,086,331)	(3,785,801)
<b>Net current assets</b>		<u>1,876,611</u>	<u>2,920,615</u>
<b>Net assets attributable to members</b>		<u>1,876,611</u>	<u>2,920,615</u>
<b>Represented by:</b>			
<b>Loans and other debts due to members within one year</b>			
Loans and other debts due to members		711,252	322,014
<b>Members' other interests</b>			
Members' capital classified as a liability under FRS 25		121,495,369	126,857,493
Other reserves classified as equity		(120,330,010)	(124,258,892)
		<u>1,165,359</u>	<u>2,598,601</u>
		<u>1,876,611</u>	<u>2,920,615</u>
<b>Total members' interests</b>			
Loans and other debts due to members		711,252	322,014
Members' other interests		1,165,359	2,598,601
	6	<u>1,876,611</u>	<u>2,920,615</u>

The members consider that the LLP is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 ("the Act").

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the LLP as at 5 April 2014 and of its profit or loss for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, relating to financial statements, so far as applicable to the LLP.

The financial statements have been prepared in accordance with the special provisions relating to LLPs subject to the small LLPs regime within Part 15 of the Companies Act 2006 as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

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**TIMELESS RELEASING LLP**

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**BALANCE SHEET  
FOR THE YEAR ENDED 5 APRIL 2014**

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The financial statements were approved and authorised for issue by the members and were signed on their behalf by:



Future Films (Partnership Services) Limited

The notes on pages 7 to 9 form part of these financial statements.



## **1. ACCOUNTING POLICIES**

### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards and the requirements of the Statement of Recommended Practice, Accounting by Limited Liability Partnerships ("SORP")

### **1.2 Revenue recognition**

Revenue in respect of distribution is recognised on an accrual basis from information provided by third parties as outlined below:

Theatrical	- as films are exhibited.
DVD's and video	- when delivered and invoiced to the customer.
Television and cable	- one a contractual arrangement has been concluded and all substantive conditions in the contract have been satisfied.

Amounts due under arrangement which have not been credited to income, are included as deferred income and are recognised as revenue at the point at which the right sold is available for exploitation by the licensee.

### **1.3 Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Where forward contracts have been used to reduce the movements in foreign currencies, monetary assets and liabilities are translated at the forward rate.

### **1.4 Distribution rights advances**

Distribution rights advances, including advance royalty payments, are carried forward to the extent that they are considered to be recoverable in future periods. Such advances are amortised in line with revenue recognised in the financial statements in accordance with terms of the partnership's licensor agreements.

### **1.5 Taxation**

The taxation payable on the partnership profits is the personal liability of the members during the period and consequently neither taxation nor related deferred taxation are accounted for in the financial statements. Amounts retained for tax are treated in the same way as other profits of the partnership and are included in "Members' interests" or in "Loans and other debts due to members" depending on whether or not division of profits has occurred.

### **1.6 Members' capital**

The financial statements have been prepared in accordance with the requirements of FRS 25 as applied to limited liability partnerships by the applicable SORP. Since the profits of the LLP are automatically distributed, FRS 25 requires members' capital to be disclosed as a liability, rather than equity. It is for this reason only that the members' capital has been presented as a liability. Under the terms of the LLP Agreement, there is no entitlement for members to draw out, or receive back at any time while they are members of the limited liability partnership, the amounts contributed by them as capital.

### **1.7 Members' current accounts**

All cash transactions between the LLP and its Members are included in the Members' current account to the extent that they are not matched by the allocation of profits and losses.

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**TIMELESS RELEASING LLP**

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**NOTES TO THE ACCOUNTS AT 5 APRIL 2014**

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**1. ACCOUNTING POLICIES****1.8 Members' remuneration**

Members' remuneration is any outflow of benefits to a member. Where the payment of any remuneration is not at the discretion of the limited liability partnership, this is charged to the profit and loss account as an expense.

**2. INFORMATION IN RELATION TO MEMBERS**

	<b>2014</b> <b>Number</b>	<b>2013</b> <b>Number</b>
The average number of members during the year was	<b>259</b>	<b>259</b>
	<b>£</b>	<b>£</b>
Members' remuneration charged as an expense	<b>3,928,882</b>	<b>4,073,713</b>

**3. DEBTORS**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Other debtors	<b>4,907,222</b>	<b>6,626,210</b>
	<b>4,907,222</b>	<b>6,626,210</b>

**4. CREDITORS**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
<b>Amounts falling due within one year</b>		
Trade creditors	<b>45,594</b>	<b>45,594</b>
Other creditors	<b>3,040,737</b>	<b>3,740,207</b>
	<b>3,086,331</b>	<b>3,785,801</b>

**5. LOANS AND OTHER DEBTS DUE TO MEMBERS**

	<b>2014</b> <b>£</b>	<b>2013</b> <b>£</b>
Amounts due to members	<b>711,252</b>	<b>322,014</b>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

# TIMELESS RELEASING LLP

## NOTES TO THE ACCOUNTS AT 5 APRIL 2014

### 6. RECONCILIATION OF MEMBERS' INTERESTS

	Members' capital (classified as equity under FRS25) £	Profit/(loss) attributable to members £	Loans and other debts due to/(from) members £	Total £
Members' interests: balance at 6 April 2012	130,357,059	(128,332,605)	197,975	2,222,429
Movement in reserves	-	4,073,713	-	4,073,713
Amounts withdrawn by members	(3,499,566)	-	124,039	(3,375,527)
Members' interests: balance at 6 April 2013	126,857,493	(124,258,892)	322,014	2,920,615
Movement in reserves	-	3,928,882	-	3,928,882
Amounts withdrawn by members	(5,362,124)	-	389,238	(4,972,886)
Members' interests at 5 April 2014	121,495,369	(120,330,010)	711,252	1,876,611

### 7. RELATED PARTY TRANSACTIONS

The designated members, Future Films (Partnership Services) Limited and Future Films (Management Services) Limited are wholly owned subsidiaries of Future Capital Global Holdings Limited. The LLP has entered into a consultancy agreement with LM Investments Limited ("LMI"), also a subsidiary of Future Capital Global Holdings Limited.

The LLP is governed by its LLP agreement, which, together with the consultancy agreement with LMI provides (among other things) that LMI will carry out certain obligations for the proper administration of the LLP, and has interests in certain income from the exploitation of film rights by the LLP as well as rights to reimbursement for certain costs.

The LLP has provided security in the form of fixed and floating charges and a negative pledge over certain of its assets to Barclay's Bank Plc, Walt Disney International Financing LLC, WDPT Film Distribution LLC, MFC Film Distribution LLC, WDMSP Limited, WXMSP Limited, Walt Disney Pictures and Television, and Miramax Film Corporation in support of loans taken by members to provide the capital of the LLP. In turn, the LLP has secured any risk that may arise under that security by way of a letter of credit from the guarantee bank.

During the year, LMI charged fees of £965,747 (2013: £2,161,727) to the LLP, and at the balance sheet date the amount outstanding and payable to LMI was £3,039,836 (2013: £3,523,161).