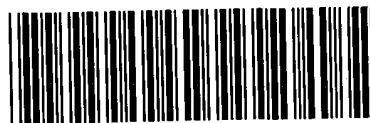


CYMRU INTERNATIONAL LIMITED

Annual report and financial statements
For the year ended 31 December 2021

Registered number: 05536376

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COMPANIES HOUSE

Directors and Officers

For the year ended 31 December 2021

Directors

Cymru International Limited's (the "Company") present Directors and those who served during the financial year are as follows:

C Smith (resigned 30 November 2021)
T C Richards
S Robson
P Wedlock (appointed 25 November 2021)

Secretary

Sky Corporate Secretary Limited

Registered office

Grant Way
Isleworth
Middlesex
United Kingdom
TW7 5QD

Auditor

Deloitte LLP
Statutory Auditor
1 New Street Square
London
EC4A 3HQ
United Kingdom

Strategic and Directors' Report

Strategic Report

The Directors present their Strategic and Directors' report on the affairs of the Company, together with the audited financial statements and Auditor's Report for the year ended 31 December 2021, with comparatives for the year ended 31 December 2020.

The purpose of the Strategic Report is to inform members of the Company and to help them assess how the Directors have performed their duty to promote the success of the Company for the benefit of its members as a whole under Section 172 of the Companies Act 2006 (duty to promote the success of the Company).

Business review and principal activities

The Company is a wholly owned subsidiary of Sky Studios Limited. The Company is ultimately controlled by Comcast Corporation ("Comcast") and operates together with Comcast's other subsidiaries as a part of Comcast Group.

The principal activities of the Company continued to be that of the marketing and distribution of television programmes.

There have not been any significant changes in the Company's activities in the year under review. The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

Financial Review and Dividends

The audited financial statements for the year ended 31 December 2021 are set out on pages 10 to 19. The Directors consider revenue and operating profit to be key performance indicators of the Company. Revenue for the year ended 31 December 2021 was £104,184 (2020: £49,888) and the profit after taxation was £26,955 (2020: £10,259). There is no new inventory available for sale in the financial statements, which clients pay an advanced payment for to acquire the rights. The increase in revenue in the year was due to royalties payments in relation to an increase in client sales. The balance sheet shows that the Company's shareholder's equity position at the year end was £359,379 (2020: £332,424).

Key performance indicators (KPIs)

The Sky Group ("the Group") manages its operations on a divisional basis. For this reason, the Company's Directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the Company.

Principal risks and uncertainties

The Company's activities expose it to financial risks, namely credit risk, and liquidity risk.

The Directors do not believe the Company is exposed to significant cash flow risk, price risk, interest rate risk or foreign exchange risk.

Financial risk management objectives and policies

The use of financial derivatives is governed by the Group's treasury policy approved by Comcast's Audit Committee and Board of Directors, which provide written principles on the use of financial derivatives to manage these risks. The Company does not use derivative financial instruments for speculative purposes.

Credit risk

The Balance Sheet of the Company includes receivables due from third parties, as well as intercompany balances due from related parties. The Company is therefore exposed to credit risk on these balances. The Company recognises credit losses relating to these receivables, as applicable, under an expected loss model in accordance with IFRS 9 Financial Instruments. The receivables balances of the Company are detailed further in note 10.

Liquidity risk

The Company relies on the Comcast Group Treasury function to manage its liquidity and ensure that sufficient funds are available for ongoing operations and future developments. The Company currently has access to a £6 billion revolving credit facility with Comcast Corporation which is due to expire in 2027. The Company benefits from this liquidity through intra-group facilities and loans.

Legislation and Regulation risk

U.K. Exit from the European Union

The telecommunications and media regulatory framework applicable to the Company's business is subject to greater uncertainty as a result of the United Kingdom's withdrawal from the European Union. In 2021, the U.K. government signalled its intention of moving away from the E.U.'s approach in a number of policy areas, increasing the possibility of greater divergence between the regulation of U.K. businesses and other European businesses over time. We are not able to predict the extent of any such divergence at this point in time.

Strategic and Directors' Report (continued)

Impacts of COVID-19

COVID-19 and measures taken to prevent its spread across the globe have impacted the Company's businesses in a number of ways, affecting the comparability of periods included in this report. The Directors expect the effects of the COVID-19 pandemic will continue to adversely impact results of operations over the near to medium term, although the extent of such impact will depend on restrictive governmental measures, global economic conditions and consumer behaviour.

The Company has adapted to operational impacts of Covid-19, with staff working remotely across the year where required, without material impact on the business.

Approved by the Board and signed on its behalf by



P Wedlock
Director

Grant Way
Isleworth
Middlesex
United Kingdom
Sky UK Limited
TW7 5QD

Date: 29 September 2022

Strategic and Directors' Report (continued)

Directors' Report

The Directors present their annual report, together with the financial statements and auditor's report. The Directors who served during the year and at the date of this report are shown on page 2.

The Directors do not recommend the payment of a final dividend in the current year (2020: £nil).

The Company has chosen, in accordance with section 414C(11) of Companies Act 2006, to include such matters of strategic importance to the Company in the Strategic Report which otherwise would be required to be disclosed in the Directors' report.

Going concern

The Company's business activities together with the factors likely to affect its future development and performance are set out in the Business Review. The Strategic Report details the financial position of the Company, as well as the Company's objectives and policies, and details of its key exposures to risk.

Given the integrated nature of the Group's financial planning and treasury functions, the impact of COVID-19 on the Company's operations and funding requirements has been assessed at the Group level. The Directors expect that the businesses will continue to generate adequate cash flow from operating activities and believe that these cash flows, together with the Company's existing cash, cash equivalents and investments, and available borrowings under its existing credit facilities, including the £6 billion revolving credit facility with Comcast, will be sufficient for the Company to meet its current and long-term liquidity and capital requirements.

We further highlight that the Company has received confirmation that Comcast intends to support the Company for a period of at least 12 months from the date of signing of these financial statements.

As a result, after making enquiries, the Directors have formed a judgement at the time of approving the financial statements that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Auditor

In accordance with the provisions of Section 418 of the Companies Act 2006, each of the persons who are Directors of the Company at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware; and
- the Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information.

Deloitte LLP have expressed their willingness to continue as auditor and a resolution to reappoint them was approved by the Board of Directors on 29 September 2022.

Approved by the Board and signed on their behalf by:



P Wedlock
Director

Grant Way
Isleworth
Middlesex
United Kingdom
Sky UK Limited
TW7 5QD

29 September 2022

Directors' responsibilities statement

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 are required to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements also comply with Financial Reporting Standard 101 "Reduced Disclosure Framework". 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 year.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently; properly select and apply accounting policies;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 101 Reduced Disclosure Framework has 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.

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

Auditor's Report

Independent auditor's report to the members of Cymru International Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Cymru International Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Auditor's Report (continued)

Independent auditor's report to the members of Cymru International Limited (continued)

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.

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 FRC's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Employment Law, the Data Protection Act 2018 and the Bribery Act 2010.

We discussed among the audit engagement team including relevant internal specialists such as IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in manual adjustments made to revenue. We performed specific procedures to address this risk through:

- obtaining an understanding of management's process and relevant controls for calculating and recognising revenue;
- understanding the nature of the manual adjustments and resulting journals that were posted to the general ledger; and
- making selections of revenue journals and testing these selections by tracing them to sufficient and appropriate audit evidence.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house / external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Auditor's Report (continued)

Independent auditor's report to the members of Cymru International Limited (continued)

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2006

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

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

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 any material misstatements in the strategic report and the directors' report.

Matters on which we are required to report by exception

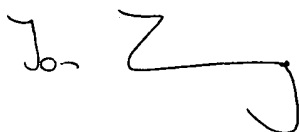
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

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.



Jon Young FCA, (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

29 September 2022

Income statement

For the year ended 31 December 2021

	Notes	2021 £	2020 Restated (Note 15) £
Revenue	4	104,184	49,888
Operating expense	5	(78,138)	(37,416)
Operating profit		26,046	12,472
Finance income/(cost)	6	821	(290)
Profit before tax	7	26,867	12,182
Tax	8	88	(1,923)
Profit for the year attributable to equity shareholder		26,955	10,259

All recognised gains and losses for both the current financial year and the previous financial year arise from continuing operations.

The accompanying notes are an integral part of this Income Statement.

For the year ended 31 December 2021 and 31 December 2020, the Company did not have any other items of Comprehensive Income. Accordingly, no separate Statement of Comprehensive Income is presented.

Balance Sheet

As at 31 December 2021

	Notes	2021 £	2020 Restated (Note 15) £	2019 Restated (Note 15) £
Non-current assets				
Deferred tax assets	9	366	-	
Trade and other receivables	10	470,633	395,236	387,398
Current assets				
Trade and other receivables	10	67,320	37,691	1,216
Deferred tax assets	9	-	278	
Total assets		538,319	433,205	388,614
Current liabilities				
Trade and other payables	11	178,940	100,781	66,449
Net current liabilities		(111,620)	(62,812)	(65,233)
Total liabilities		178,940	100,781	66,449
Share capital	12	2	2	2
Reserves	13	359,377	332,422	322,163
Total equity attributable to equity shareholder	13	359,379	332,424	322,165
Total liabilities and shareholder's equity		538,319	433,205	388,614

The accompanying notes are an integral part of this Balance Sheet.

As at 31 December 2021 and 31 December 2020, the Company did not have any cash or cash equivalents. Accordingly, no cash flow statement or reconciliation of operating profit to cash flows from operating activities has been prepared.

The financial statements of Cymru International Limited, registered number 05536376 were approved by the Board of Directors on 29 September 2022 and were signed on its behalf by:



P Wedlock
Director

29 September 2022

Statement of Changes in Equity

For the year ended 31 December 2021

	Share capital £	Reserves £	Total shareholder's equity £
At 1 January 2020	2	322,163	322,165
Profit for the year (restated)	-	10,259	10,259
Total comprehensive income for the year	-	10,259	10,259
At 31 December 2020 (restated)	2	332,422	332,424
Profit for the year	-	26,955	26,955
Total comprehensive income for the year	-	26,955	26,955
At 31 December 2021	2	359,377	359,379

The accompanying notes are an integral part of this Statement of Changes in Equity.

All results relate to continuing operations.

Notes to the financial statements

1. Company information

Cymru International Limited (the "Company") is a private limited liability company, limited by shares, incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is Grant Way, Isleworth, Middlesex, United Kingdom, TW7 5QD and registered number is 05536376. The Company's principal activities are set out in the Directors' report.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC) incorporating the Amendments to FRS 101 issued by the FRC in July 2015 other than those relating to legal changes and has not applied the amendments to Company law made by The Companies, Partnerships and Groups (financial statements and Reports) Regulations 2015 that are effective for accounting periods beginning on or after 1 January 2016.

2. Significant accounting policies

a) Basis of preparation

As permitted by FRS 101, the Company has taken advantage of all relevant disclosure exemptions available under that standard in relation to business combinations, financial instruments, presentation of comparative information in respect of certain assets, standards not yet effective, presentation of a cash-flow statement, impairment of assets and related party transactions.

Where relevant, equivalent disclosures have been given in the Group financial statements of Comcast. The Group financial statements of Comcast are available to the public and can be obtained as set out in note 14.

The financial statements have been prepared on the historical cost basis, as described in the accounting policies below.

Going concern

The Company's business activities together with the factors likely to affect its future development and performance are set out in the Business Review. The Strategic Report details the financial position of the Company, as well as the Company's objectives and policies, and assessment of risk.

Given the integrated nature of the Sky Group's financial planning and treasury functions, the impact of COVID-19 on the Company's operations and funding requirements has been assessed at the Sky Group level. The Directors expect that the Sky Group businesses will continue to generate adequate cash flow from operating activities and believe that these cash flows, together with the Company's assets and available borrowings under its existing credit facilities, including the £6 billion revolving credit facility with Comcast, will be sufficient for the Company to meet its current and long-term liquidity and capital requirements.

The Company has received confirmation that Comcast intends to support the Company for a period of at least 12 months from the date of signing of these financial statements.

As a result, after making enquiries, the Directors have formed a judgement at the time of approving the financial statements that the Company will have access to adequate resources to continue for at least 12 months from the signing of the financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

b) Financial assets and liabilities

i. Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments and, where no stated interest rate is applicable, are measured at the original invoice amount, if the effect of discounting is immaterial. Where discounting is material, trade and other receivables are measured at amortised cost using the effective interest method.

An allowance account is maintained to reduce the carrying value of trade and other receivables for impairment losses provided for on an expected loss model according to IFRS 9, with movements in the allowance account, either from increased impairment losses or reversals of impairment losses, being recognised in the Income Statement.

ii. Trade and other payables

Trade and other payables are non-derivative financial liabilities and are measured at amortised cost using the effective interest method. Trade and other payables with no stated interest rate are measured at the original invoice amount if the effect of discounting is immaterial.

c) Revenue recognition

Revenue represents amounts receivable for marketing and distribution of television programmes net of VAT.

Turnover from the distribution of programmes is recognised when a contract has been executed by both the Company and licensee and the relevant programmes have been delivered to the broadcaster. Distribution revenue from programmes or formats distributed by third parties and other ancillary revenues are recognised once the Company has been notified of the sums due to it. Any fees received in advance, which do not meet all the above criteria, are included in deferred income until the above criteria are met.

Notes to the financial statements (continued)

2. Significant accounting policies (continued)

d) Foreign currency remeasurement

The Company's functional currency and presentational currency is pounds sterling.

Trading activities denominated in foreign currencies are recorded in pounds sterling at the applicable monthly exchange rates. Monetary assets, liabilities and commitments denominated in foreign currencies at the balance sheet date are recorded at the rates of exchange at that date. Non-monetary assets and liabilities denominated in foreign currencies are recorded in pounds sterling at the exchange rate prevailing at the date of the initial transaction. Gains and losses from the remeasurement of assets and liabilities are included net in profit for the year.

e) Accounting standards, interpretations and amendments to existing standards that are not yet effective

The Company has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but are only effective for accounting periods beginning after 1 January 2021. These new pronouncements are listed below. The Directors are currently evaluating the impact of the adoption of these standards, amendments and interpretations in future periods.

- Covid-19 Related Rent Concessions – Amendment to IFRS 16 'Leases' (effective 1 April 2021)
- Annual Improvements to IFRS Standards 2018 – 2020 – Amendments to IFRS 1, IFRS 9 and IFRS 16 (effective 1 January 2022)
- Conceptual Framework – Amendments to IFRS 3 'Business Combinations' (effective 1 January 2022)
- Proceeds before Intended Use – Amendments to IAS 16 'Property, Plant and Equipment' (effective 1 January 2022)
- Onerous Contracts – Cost of Fulfilling a Contract – Amendment to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' (effective 1 January 2022)
- Classification of Liabilities as Current or Non-current – Amendment to IAS 1 'Presentation of Financial Statements' (effective 1 January 2023)
- Implementation issues – Amendments to IFRS 17 'Insurance Contracts' (effective 1 January 2023)
- Definition of Accounting Estimates – Amendment to IAS 8 'Accounting policies, changes in accounting estimates and errors' (effective 1 January 2023)
- Disclosure of Accounting Policies – Amendment to IAS 1 'Presentation of Financial Statements' (effective 1 January 2023)

f) Critical accounting policies and judgements and key sources of estimation uncertainty

Certain accounting policies are considered to be critical to the Company. An accounting policy is considered to be critical if, in the Directors' judgement, its selection or application materially affects the Company's financial position or results. The application of the Company's accounting policies may also require the use of estimation or judgement in a manner which may affect the Company's financial position or results.

Due to the nature of the Company and its activities, there are not considered to be any critical accounting policies.

g) Tax, including deferred tax

UK corporation tax is provided at current amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

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 against which carried forward tax losses can be offset and from which the future reversal of underlying timing differences can be deduced.

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

Notes to the financial statements (continued)

3. Auditor's remuneration

Audit fees

An analysis of auditor's remuneration is as follows:

	2021	2020
	£	£
Total audit fees	15,000	15,000

Amounts paid to the auditor for the audit of the Company's annual financial statements of £15,000 (2020: £15,000) were borne by another Group subsidiary in both the current and prior year. No amounts for other services have been paid to the auditor.

4. Revenue

The revenue and profit before taxation are attributable to the one principal activity of the Company, being the marketing and distribution of television programmes.

	2021	2020 Restated (Note 15)
	£	£
Distribution Revenue	104,184	49,888
Total Revenue	104,184	49,888

5. Operating expenses

	2021	2020 Restated (Note 15)
	£	£
Programming	78,138	36,839
Sales, general and administration	-	577
Total operating expense	78,138	37,416

There were no staff costs for the year ended 31 December 2021 (2020: £nil).

Directors' remuneration for the year ended 31 December 2021 was £nil (2020: £nil).

6. Finance (Income)/Costs

	2021	2020
	£	£
Foreign Exchange Differences	(821)	290
Finance (Income)/Costs	(821)	290

Notes to the financial statements (continued)

7. Profit before tax

Employee Services

There were no employee costs during the year or prior year, as the Company had no employees, other than the Directors. Services are provided by employees of other companies within the Group with no charge being made for their services. The Directors did not receive any remuneration during the year in respect of their services to the Company.

	2021	2020
	£	£
Profit before tax is stated after charging		
Foreign Exchange Differences	(821)	290

8. Tax

a) Tax recognised in the Income Statement

	2021	2020 Restated (Note 15)
	£	£
Current tax expense		
Current year	-	2,201
Total current tax charge	-	2,201
Deferred tax credit		
Origination and reversal of temporary differences	(88)	(278)
Total deferred tax credit	(88)	(278)
Tax (credit)/expense	(88)	1,923

b) Reconciliation of effective tax rate

The tax (income)/expense for the year is lower (2020: lower) than the standard rate of corporation tax in the UK of (19.0%) (2020: 19.0%) applied to profit before tax. The differences are explained below:

The (credit)/charge for the year can be reconciled to the profit in the Income Statement as follows:

	2021	2020 Restated (Note 15)
	£	£
Profit before tax	26,867	12,182
Profit before tax multiplied by rate of corporation tax in the UK of 19.0% (2020: 19.0%)	5,105	2,315
Effects of:		
Group relief (claimed)/surrendered for £nil consideration	(5,105)	-
Adjustment in respect of prior year	-	(351)
Change in corporation tax rate	(88)	(41)
Tax	(88)	1,923

All tax relates to UK corporation tax.

Notes to the financial statements (continued)

9. Deferred tax

Recognised deferred tax assets

	Short-term temporary differences	Total
	£	£
Effect of change in tax rate	278	278
At 31 December 2020	278	278
Effect of change in tax rate	88	88
At 31 December 2021	366	366

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the years in which they reverse. The rate enacted for the relevant years of reversal is 25% (2020: 19%).

10. Trade and other receivables

	2021	2020 Restated (Note 15)
	£	£
Gross trade receivables	68,783	38,992
Less: loss allowance	(1,463)	(1,463)
Net trade receivables	67,320	37,529
Amounts falling due within one year:		
VAT	-	162
Current trade and other receivables	67,320	37,691
Non-current trade and other receivables		
Amounts receivable from other Group companies	470,633	395,236
Total non-current trade and other receivables	470,633	395,236

a) Amounts receivable from other group companies

Non-Current

Amounts due from other Group companies as at 31 December 2021 are £470,633 (2020: £395,236); these balances are non-interest bearing and are repayable on demand.

Notes to the financial statements (continued)

11. Trade and other payables

	2021	2020
	£	Restated (Note 15) £
Current		
Amounts falling due within one year:		
Accruals	178,940	100,781
Total current trade and other payables	178,940	100,781

12. Share capital

	2021	2020
	£	£
Authorised, called-up and fully paid		
2 (2020: 2) Ordinary shares of £1(2020: £1) each	2	2

The Company has one class of ordinary shares which carries equal voting rights and no contractual right to receive payment.

13. Shareholders' equity

	2021	2020
	£	£
Share capital	2	2
Retained earnings	359,377	332,422
	359,379	332,424

14. Ultimate parent undertaking

The Company is a wholly-owned subsidiary undertaking of Sky Studios Limited, (the immediate parent company), a company incorporated in the United Kingdom and registered in England and Wales. The Company's ultimate parent company and the smallest and largest group in which the results of the Company are consolidated is Comcast Corporation, a company incorporated in the United States of America and registered in Pennsylvania.

The Company is ultimately controlled by Comcast and operates together with Comcast's other subsidiaries, as a part of the Comcast Group. The only group in which the results of the Company are consolidated is that headed by Comcast.

The consolidated financial statements of the Comcast Group are available to the public and may be obtained from Company Investor Relations at Comcast Corporation, One Comcast Center, Philadelphia, PA 19103, USA. Or at: <https://www.cmcsa.com/investors>.

Notes to the financial statements (continued)

15. Prior-year restatement note

In preparing financial statements for the year ended 31 December 2021, the classification of intercompany receivable balances between current and non-current was reassessed with reference to the timing of their expected settlement. In doing so, it was identified that certain intercompany balances were incorrectly classified as current in prior years. This classification error is a material error in prior periods and therefore the 2020 and 2019 balances have been restated in the 2021 financial statements.

	2020	2020	2020
	As previously stated	Adjustment	Restated balance
	£	£	£
Amounts receivable from other group companies - current	397,015	(397,015)	-
Amounts receivable from other group companies - non current	-	397,015	397,015
	2019	2019	2019
	As previously stated	Adjustment	Restated balance
	£	£	£
Amounts receivable from other group companies - current	387,398	(387,398)	-
Amounts receivable from other group companies - non current	-	387,398	387,398

In preparing financial statements for the year ended 31 December 2021, the timing of recognition of revenue was reassessed with reference to the prior year. It was identified that revenue that had been earned in the prior year had not been accrued for correctly, alongside the associated expense. This is a material error in the prior year and therefore the 2020 revenue, trade and other receivables balances, operating expense, and trade and other payables, as well as the associated tax balance and intercompany payable, have been restated in the 2021 financial statements. The intercompany receivable balance below is subsequent to the separate adjustment noted above.

	2020	2020	2020
	As previously stated	Adjustment	Restated balance
	£	£	£
Revenue	(12,359)	(37,529)	(49,888)
Net trade receivables	-	37,529	37,529
Operating Expense	9,247	28,169	37,416
Trade and other payables	(72,612)	(28,169)	(100,781)
Tax	144	1,779	1,923
Amounts Receivable from other group companies - non current	397,015	(1,779)	395,236