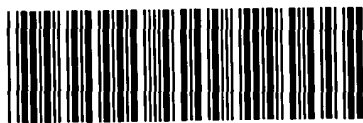


**Agatha Christie Productions
Limited**

Annual report and financial
statements

Registered number 8265087
Year ended 31 December 2019

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Directors' report

The directors present their report together with the financial statements for the year to 31 December 2019.

Principal activities

The principal activity during the period was to act as the production company for its immediate parent company Agatha Christie Limited.

The Company has met the requirements in Companies Act 2006 to obtain the exemption provided from the presentation of an enhanced strategic report.

Results and dividends

The profit after taxation for the year amounted to £8,000 (2018: £300,000).

The directors paid a dividend for the year ended 31 December 2019 of £100,000 (2018: £150,000).

Directors

The directors who held office during the year and until the date of the signing of the accounts were as follows:

JM Barrow
W Cooper
J Prichard
M Prichard
M Stevens

Political and charitable contributions

The Company did not make any political or charitable donations during the year (2018: Nil).

Covid-19 Pandemic and going concern

In preparing the financial statements the directors are required to assess the Company's ability to continue to trade as a going concern for the foreseeable future. In undertaking this assessment, the directors have given due consideration to the Company's banking facilities, historical and current trading, together with forward-looking projections and have undertaken scenario modelling given the current COVID-19 pandemic.

To date, the COVID-19 pandemic has not had an adverse effect on revenues, in fact the Company has benefited from increased demand for TV content throughout the world and revenue from TV sales is expected to remain in line with previous forecasts. If the pandemic and the associated restrictions on activity continue in the medium term it may impact the viability of producing future TV programmes. The directors will proceed cautiously if this is the case and will ensure that the Company is protected as far as possible, for example by ensuring production costs are fully financed and that it has contingency plans in place in the event of a production shutdown.

The directors have reviewed the projections and financial models and based on their best assessment believe that the Company will have sufficient financing in place to ensure cash flow requirements are satisfied for at least the next twelve months. As such, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements. Consequently, the financial statements do not include any adjustments that would result if the Company were unable to continue as a going concern.

Directors' report (continued)

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and BDO LLP will therefore continue in office.

Approval and Signing

This directors' report has been prepared having taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

By order of the board



K Monney
Secretary

17th September 2020

161 Drury Lane
Covent Garden
London WC2B 5PN

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing 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.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF AGATHA CHRISTIE PRODUCTIONS LIMITED

Opinion

We have audited the financial statements of Agatha Christie Productions Limited ("the Company") for the year ended 31 December 2019 which comprise the Statement of comprehensive income, Balance sheet and Statement of changes in equity, and the 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 Financial Reporting Standard 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 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

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.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF AGATHA CHRISTIE PRODUCTIONS LIMITED (CONTINUED)

Other information (continued)

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 the audit:

- the information given in the Directors' report for the financial year 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 Director's report.

We have nothing to report in respect of the following matters in relation to which 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 Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, 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.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF AGATHA CHRISTIE PRODUCTIONS LIMITED (CONTINUED)

Responsibilities of Directors (continued)

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 at the Financial Reporting Council's website at:

<https://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.



James Fearon (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick, UK
29 September 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of comprehensive income

for the year ended 31 December 2019

	Note	Year ended 31 December 2019 £000	Year ended 31 December 2018 £000
Turnover	3	4,623	14,992
Cost of sales		(4,474)	(14,579)
Gross profit		149	413
Administrative expenses		(53)	(42)
Profit on ordinary activities before taxation	4	96	371
Tax on profit on ordinary activities	6	(88)	(71)
Profit for the financial year		8	300
Other Comprehensive income		-	-
Total comprehensive income for the year		8	300

The results for both years relate to continuing activities.

The notes on pages 12-19 form part of these financial statements.

Balance sheet
at 31 December 2019

	Note	At 31 December 2019		At 31 December 2018	
		£000	£000	£000	£000
Fixed assets					
Film & TV related investments	7		703		-
			<u>703</u>		<u>-</u>
Current assets					
Work in progress		180		178	
Debtors	8	1,279		2,899	
Cash at bank		638		615	
		<u>2,097</u>		<u>3,692</u>	
Creditors: amounts falling due within one year	9	(2,418)		(3,251)	
		<u></u>		<u></u>	
Net current (liabilities)/assets			(321)		441
Total Assets less current Liabilities			<u>382</u>		<u>441</u>
Creditors: amounts falling due after one year	10		(180)		(147)
			<u></u>		<u></u>
Net assets			<u>202</u>		<u>294</u>
Capital and reserves					
Called up share capital	11		-		-
Retained earnings			202		294
			<u>202</u>		<u>294</u>
Shareholders' funds			<u>202</u>		<u>294</u>

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

These financial statements were approved by the board of directors and authorised for issue on 17th September 2020. They were signed on its behalf by:



J Prichard
Director

The notes on pages 12-19 form part of these financial statements.

Statement of changes in equity

at 31 December 2019

	Share capital £000	Profit and loss account £000	Total equity £000
1 January 2019	-	294	294
Comprehensive income for the year			
Profit for the year	-	8	8
Movement in cash flow hedge	-	-	-
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	8	8
Contributions by and distributions to owners			
Dividends	-	(100)	(100)
31 December 2019	-	202	202
1 January 2018	-	144	144
Comprehensive income for the year			
Profit for the year	-	300	300
Movement in cash flow hedge	-	-	-
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	300	300
Contributions by and distributions to owners			
Dividends	-	(150)	(150)
31 December 2018	-	294	294

The notes on pages 12-19 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

Agatha Christie Productions Limited is a private company, limited by shares, incorporated in England & Wales under the Companies Act. The address of the registered office is 161 Drury Lane, London WC2B 5PN and the nature of its principal activities are set out in the directors' report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

In preparing the financial statements the directors are required to assess the Company's ability to continue to trade as a going concern for the foreseeable future. In undertaking this assessment, the directors have given due consideration to the Company's banking facilities, historical and current trading, together with forward-looking projections and have undertaken scenario modelling given the current COVID-19 pandemic.

To date, the COVID-19 pandemic has not had an adverse effect on revenues, in fact the Company has benefited from increased demand for TV content throughout the world and revenue from TV sales is expected to remain in line with previous forecasts. If the pandemic and the associated restrictions on activity continue in the medium term it may impact the viability of producing future TV programmes. The directors will proceed cautiously if this is the case and will ensure that the Company is protected as far as possible, for example by ensuring production costs are fully financed and that it has contingency plans in place in the event of a production shutdown.

The directors have prepared and reviewed forecasts and financial models and based on their best assessment believe that the Company will have sufficient financing in place to ensure cash flow requirements are satisfied for at least the next twelve months. As such, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements. Consequently, the directors have assessed it appropriate to prepare the financial statements on the going concern basis and have done so accordingly.

Disclosure exemptions

In preparing the financial statements, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the Company.
- Related party disclosures relating to the parent company have been excluded.

The following principal accounting policies have been applied:

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling for the month of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit and loss within administrative expenses.

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost, less any impairment. Financial assets measured at amortised cost comprise cash, trade debtors, other debtors, and amounts owed by group undertakings.

Notes (continued)

1 Accounting policies (continued)

Financial liabilities

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, other creditors, accruals, and amounts owed to parent undertaking.

Stock and work in progress

Stock and work in progress is held at the lower of cost and net realisable value.

Current taxation

Tax is recognised in profit and loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Turnover

Turnover represents royalties and other income earned during the year (excluding VAT).

(a) Licensing Agreements

Contracted revenue from royalty contracts under a de minimus limit is recognised in the year the deal commences. Over this limit, contracted revenue is recognised by spreading income straight line over the term of the contract on a monthly basis starting with the month that the contract commences.

Royalty income in excess of the minimum contractual revenue is recognised in the year in which it is earned.

(b) Film & TV fees

Television and film fees are recognised as turnover when the programme is delivered to the broadcaster, streaming service or distributor subject to the following criteria being met:

- (i) Contract signed by both parties;
- (ii) Contract has commenced;
- (iii) The licensee is able to exploit the programme; and
- (iv) Collection of licence fee is reasonably assured.

Cash and liquid resources

Cash comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

Film & TV related investments

Development costs are capitalised and transferred from current assets to assets under construction (within fixed assets) when a production agreement is signed by both parties or on commencement of principal photography, whichever is the earlier. Assets under construction are transferred to film and TV related investments on delivery of the master negative. Film and TV related investment costs are then amortised over the period that the investment is reasonably expected to generate revenues. The rates used are appropriate to the pattern of income expected from the sale of the programmes and films and any related merchandising and other sales. The current amortisation period is based upon each asset's useful economic life, no longer than 10 years.

Notes (continued)

1 Accounting policies (continued)

Capital and Reserves

The Company's equity capital and reserves are as follows:

- Called up share capital represents the nominal value of the shares issued.
- Retained earnings represents cumulative profits or losses.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following significant judgements:

- Determining whether there are indicators of impairment of the Company's film and TV assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the relevant asset.

Other key sources of estimation uncertainty

- Film & TV related investments (see note 7)

Film & TV related investments are amortised over the period that the programme is expected to generate revenues and matched to the pattern of income expected from sales. In assessing expected future sales performance factors considered include past performance of the programme in question and other programmes in the same series, along with future market conditions and forecasts from distributors where available.

3 Turnover

Turnover represents fees and distribution revenues earned on the exploitation of the recent TV adaptations of Agatha Christie's works.

An analysis of turnover by geographical market is given below:

	Year ended 31 Dec 2019 £000	Year ended 31 Dec 2018 £000
United Kingdom	2,297	6,392
Other European Community	1,465	2,353
Americas	598	5,401
Rest of World	263	846
	<u>4,623</u>	<u>14,992</u>

Notes (continued)

4 Profit on ordinary activities before taxation

	Year ended 31 December 2019 £000	Year ended 31 December 2018 £000
<i>Profit on ordinary activities before taxation is stated after charging:</i>		
Fees payable to the Company's auditor for the audit of the Company's annual accounts	4	4
Amortisation of film & TV related investments	1,976	10,311
Exchange rate losses	18	-
	<u> </u>	<u> </u>

5 Employees

All staff were employed by the Company's immediate parent, Agatha Christie Limited. Staff costs for both years were borne by Agatha Christie Ltd. No directors were remunerated through the Company.

6 Taxation

(a) Analysis of charge in year

	Year ended 31 December 2019 £000	Year ended 31 December 2018 £000
Current tax on profit for the year		
UK corporation tax	2	71
Foreign tax	86	-
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	88	71
	<u> </u>	<u> </u>

Notes (continued)

6 Taxation (continued)

(b) Factors affecting the tax charge for the year

The current tax charge for the year is greater than (2018: equal to) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below.

	Year ended 31 December 2019 £000	Year ended 31 December 2018 £000
Profit on ordinary activities before tax	96	371
Current tax at 19% (2018: 19%)	18	71
Effects of:		
Foreign tax expensed	86	-
Other permanent differences	(16)	-
Total tax expense included in profit or loss	88	71

7 Film & TV related investments

	Completed Assets £000	Assets Under Construction £000	Total £000
Cost			
At beginning of year	24,932	-	24,932
Additions	90	2,589	2,679
Transfers	2,589	(2,589)	-
Disposals	-	-	-
At end of year	27,611	-	27,611
Amortisation			
At beginning of year	24,932	-	24,932
Charge for year	1,976	-	1,976
Disposals	-	-	-
At end of year	26,908	-	26,908
Net book value			
At 31 Dec 2019	703	-	703
At 31 Dec 2018	-	-	-

Notes (continued)

8 Debtors

	2019 £000	2018 £000
Trade debtors	590	919
Other debtors	93	10
Total financial assets other than cash and cash equivalents classified as loans and receivables	683	929
Prepayments and accrued income	530	1,963
Corporation tax receivable	25	7
Other taxation and social security	41	-
Total trade and other receivables	1,279	2,899

All amounts shown under debtors fall due for payment within one year.

The fair value of trade and other receivables classified as loans and receivables approximates to their carrying value at 31 December 2019 and 31 December 2018. Credit risk has been addressed as part of the impairment provisioning. These receivables are not considered to be subject to ongoing fluctuations in market rates as a result of their short-term nature. As at 31 December 2019 trade receivables of £nil (2018: £124,000) were past due but not impaired.

9 Creditors: amounts falling due within one year

	2019 £000	2018 £000
Trade creditors	42	212
Other creditors	39	74
Amounts owed to parent undertaking	52	124
Accruals	1,224	2,482
Total financial liabilities	1,357	2,892
Deferred income	1,061	259
Other taxation	-	100
	2,418	3,251

Financial liabilities are measured at amortised cost.

Notes (continued)

9 Creditors: amounts falling due within one year (continued)

Due to the short-term nature of the payables classified as financial liabilities measured at amortised cost, they are not subject to ongoing fluctuations in market rates, and so the fair value approximates to their carrying value at 31 December 2019 and 31 December 2018.

Maturity analysis of the financial liabilities is as follows (the amounts shown are undiscounted and represent the contractual cash flows):

	2019 £000	2018 £000
Up to 3 months	674	788
Between 3 months and one year	683	2,104
	<u>1,357</u>	<u>2,892</u>

10 Creditors: amounts falling due after one year

	2019 £000	2018 £000
Deferred income	180	147
	<u>180</u>	<u>147</u>

11 Share capital

	2019 £	2018 £
<i>Authorised</i>		
1 ordinary share of £1 each	1	1
<i>Allotted, called up and fully paid</i>		
1 ordinary share of £1 each	1	1

Notes (continued)

12 Related party transactions

The Company has taken advantage of the exemption conferred by FRS 102 paragraph 33.1A not to disclose transactions with Agatha Christie Limited on the grounds that it is a wholly owned subsidiary of Agatha Christie Limited.

During the year the following related party transactions occurred:

1. The Company recognised revenue of £40,000 (2018: £68,000) less commission payable of £1,000 (2018: £6,000), invoiced in the year to RLJ Entertainment, Inc. which ultimately owns 64% of the Company's parent, Agatha Christie Limited. As at 31 December 2019 the outstanding balance receivable was £nil (2018: £nil).

Key management personnel include all directors who together have authority and responsibility for planning, directing and controlling the activities of the Company. The compensation paid to key management personnel for services provided to the Company was borne by Agatha Christie Limited.

13 Capital commitments

At 31 December 2019 the Company had capital commitments under film and TV contracts of £744,000 (2018: £588,000) for which no provision has been made.

14 Contingent liabilities

At 31 December 2019 the Company did not have any material contingent liabilities (2018: £nil).

15 Post balance sheet events

Following the end of the financial year ended on 31st December 2019, the global economy has been impacted by the COVID-19 virus pandemic. Like many other countries, in the UK this has resulted in a lockdown being imposed on business and social activity by the Government. To date, this has not resulted in any disruption to business activity and no adverse impact has been experienced. The pandemic may affect future business activity and the Company will continue to monitor this situation. A detailed consideration of the impact on the Company is set out on page 3.

Appropriate action has been taken and will continue to be taken to enable the business to mitigate the effects of the COVID-19 virus crisis on the business.

16 Controlling party

The Company is a wholly owned subsidiary of Agatha Christie Limited, which prepares consolidated accounts that include the Company. RLJ Entertainment, Inc. incorporated in the United States of America has a 64% shareholding in Agatha Christie Limited. The results of Agatha Christie Limited and Agatha Christie Productions Limited are included as an equity investment in the consolidated financial statements of RLJ Entertainment, Inc. The family of Agatha Christie hold the remaining issued share capital of Agatha Christie Limited. The directors consider the ultimate controlling party to be the family of Agatha Christie. Voting rights in Agatha Christie Limited are split 50/50, however the family of Agatha Christie have the casting vote.

The accounts of Agatha Christie Ltd, that consolidate this Company, are available at the Company's registered office of 161 Drury Lane, London WC2B 5PN.