

The Night Manager Distribution Limited
Annual Report and Financial Statements
For the year ended 31 December 2021

Company Registration No. 09457720

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The Night Manager Distribution Limited

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The Night Manager Distribution Limited

Officers and Professional advisers

Directors	Simon Cornwell Ian Spence Roderick Henwood
Company Secretary	Ian Spence
Registered office	53 Frith Street London W1D 4SN
Principal Banker	Coutts & Co. Limited 440 Strand London WC2R 0QS
Auditor	Saffery Champness LLP Statutory Auditor 71 Queen Victoria Street London EC4V 4BE

The Night Manager Distribution Limited

Directors' report

The Directors are pleased to present their annual report and the audited financial statements for the year ended 31 December 2021.

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption in accordance with s414B of the Companies Act 2006; accordingly, no strategic report is presented.

Principal activities

The principal activity of the Company is the distribution of a television series. The Company is a wholly owned subsidiary of The Ink Factory Limited, a private company incorporated in the United Kingdom.

Results and dividends

There were continued sales of the critically acclaimed *The Night Manager* in 2021. The Company recognised revenue of \$967,000 (2020: \$3,311,000) in the current year, mainly due to licence fees and royalties. This revenue performance in 2021 resulted in profit after taxation of \$60,000 (2020: \$230,000).

Work in progress is lower than the previous year, at \$265,000 (2020: \$545,000). The carrying value of the work in progress is considered fully recoverable from our anticipated future sales activity on this project.

The Directors proposed no dividend for the current year (2020: \$nil).

Directors

The Directors who held office throughout the year and to the date of the report except as noted were as follows:

SAV Cornwell
IM Spence
RWL Henwood

Company Secretary

PM O' Regan	(Resigned on 12 August 2021)
CJ Patey	(Appointed on 12 August 2021 and resigned 1 February 2022)
IM Spence	(Appointed on 1 February 2022)

Going concern

The accounts have been prepared on a going concern basis, see note 3.1.

The Night Manager Distribution Limited

Directors' report (continued)

Coronavirus

As *The Night Manager* was delivered to the market in 2016, the Company does not anticipate suffering any significant disruptive effects from the COVID-19 pandemic.

Brexit

The Directors have considered the nature and extent of risks and uncertainties arising from Brexit. There is no deemed impact of Brexit on the future performance and position of the Company.

Disclosure of information to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- So far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

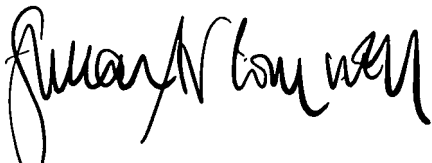
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Pursuant to section 485 of the Companies Act 2006, Saffery Champness LLP were appointed as auditors to the company.

Saffery Champness LLP have expressed their willingness to continue in office as auditor.

Approved and signed on behalf of the Board of Directors



Simon Cornwell
Director

19 May 2022

The Night Manager Distribution Limited

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), including FRS 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 these financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 him 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 auditors' report to the members of The Night Manager Distribution Limited

Opinion

We have audited the financial statements of The Night Manager Distribution Limited for the year ended 31 December 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including 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 101, 'Reduced Disclosure Framework' (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 2021 and its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 101; 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

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 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 auditors' report to the members of The Night Manager Distribution Limited (continued)

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.

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 Directors' 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.
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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.

Independent auditors' report to the members of The Night Manager Distribution Limited (continued)

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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006, and UK Tax legislation.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditors' report to the members of The Night Manager Distribution Limited (continued)

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.

Darren Drake (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE

19 May 2022

The Night Manager Distribution Limited

Statement of Comprehensive Income For the year ended 31 December 2021

		Year ended 31 December 2021 \$'000	Year ended 31 December 2020 \$'000
Continuing operations	Note		
Revenue	5	967	3,311
Cost of sales		(909)	(3,105)
Gross profit		58	206
Administrative income/ (expenses)		2	(13)
Other operating income		-	37
Operating profit before taxation	6	60	230
Taxation	7	-	-
Profit after taxation		60	230
Other comprehensive income		-	-
Total comprehensive income for the year		60	230

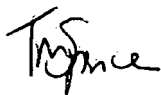
All results in the current financial year derive from continuing operations.

The Night Manager Distribution Limited

Balance Sheet As at 31 December 2021

		As at 31 December 2021	As at 31 December 2020
	Note	\$'000	\$'000
Non-current assets			
Investments	8	-	-
		-	-
Current assets			
Work in progress		266	545
Debtors	9	3,787	5,158
Cash at bank and in hand		152	162
		4,205	5,865
Creditors: Amounts falling due within one year	10	(1,748)	(3,468)
Net assets		2,457	2,397
Capital and reserves			
Share capital	12	-	-
Retained earnings	13	2,457	2,397
Shareholder's funds		2,457	2,397

The financial statements for The Night Manager Distribution Limited, registered number 09457720 were approved by the Board of Directors and authorised for issue on 19 May 2022 and signed on its behalf by:



Ian Spence
Director

The Night Manager Distribution Limited

Statement of Changes in Equity For the year ended 31 December 2021

	Share capital \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2020	-	2,167	2,167
Profit for the year	-	230	230
Total comprehensive income for the year	-	230	230
Balance at 31 December 2020	-	2,397	2,397
Profit for the year	-	60	60
Total comprehensive income for the year	-	60	60
Balance at 31 December 2021	-	2,457	2,457

The Night Manager Distribution Limited

Notes to the financial statements For the year ended 31 December 2021

1. Statement of compliance

The Company is incorporated in the United Kingdom under the Companies Act. The address of registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Directors' report on page 2.

These financial statements have been prepared on a going concern basis in accordance with Financial Reporting Standards 100 issued by the Financial Reporting Council, and applicable legal and regulatory requirements of the Companies Act 2006.

2. Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

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

Where required, equivalent disclosures have been given in the consolidated accounts of The Ink Factory Limited, which are publicly available and can be obtained as noted in note 14.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies adopted are set out below.

3. Summary of significant accounting policies

3.1. Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The Directors have prepared projections for the period up to 31 May 2023. These projections factor in the potential effects of COVID-19 and have been prepared using assumptions which the Directors consider to be appropriate to the current financial position of the Company as regards to current expected revenues and its cost base. Additionally, all external borrowings have been secured against future contractual cash flows from distributor contracts and there are no further production costs anticipated.

The Director therefore considers it appropriate to continue to prepare the financial statements on a going concern basis.

3.2. Foreign currencies

The currency of the primary economic environment in which the Company operates ('the functional currency') is the US Dollar (\$). Transactions in foreign currency are recorded at the rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date, or at rates specified in forward contracts where these are in place. These translation differences are recognised in profit and loss.

The Night Manager Distribution Limited

Notes to the financial statements (continued) For the year ended 31 December 2021

3. Summary of significant accounting policies (continued)

3.3. Revenue recognition

The Company derives its revenues from the distribution of television series. The following summarises the Company's main revenue recognition policies:

- Revenue is recognised where there is reasonable contractual certainty that revenue is receivable and will be received.
- Revenue from the sale of own or co-produced television productions is recognised when the production is available for delivery, the distributor's licence period has commenced and there is reasonable contractual certainty that the licence fee revenue is receivable and will be received.
- In line with IFRS 15, revenue from royalties is recognised in the period to which the royalties relate, rather than on receipt of cash or royalty statements from third parties.

3.4. Work in progress

The Company capitalises all costs relating to the production of television series as work in progress until the production has completed and accepted by the customer. The work in progress is carried at the lower of cost or net realisable value.

3.5. Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the accounting date.

(b) Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is charged or credited in the consolidated statement of comprehensive income except when it relates to items credited or charged directly in equity, in which case the deferred tax is also dealt with in equity.

The Night Manager Distribution Limited

Notes to the financial statements (continued) For the year ended 31 December 2021

3. Summary of significant accounting policies (continued)

3.5. Current and deferred tax (continued)

Deferred tax is calculated at the tax rates and laws that are expected to apply to the period when the asset is realised, or the liability is settled based upon tax rates that have been enacted or substantively enacted by the accounting date.

The carrying amount of deferred tax assets is reviewed at each accounting 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.

3.6. Financial Instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument. Financial assets are de-recognised when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred. Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired.

(a) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment. Appropriate provisions for estimated irrecoverable amounts are recognised in the consolidated statement of comprehensive income when there is objective evidence that the assets are impaired. Interest income is recognised by applying the effective interest rate, except for short-term trade and other receivables when the recognition of interest would be immaterial.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due. For trade and other receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within property expenses in the consolidated statement of comprehensive income. On confirmation that the trade and other receivables will not be collectable, the gross carrying value of the asset is written off against the associated provision.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at agents, demand deposits, and other short-term highly liquid investments that have maturities of three months or less from inception, are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(c) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

The Night Manager Distribution Limited

Notes to the financial statements (continued) For the year ended 31 December 2021

3. Summary of significant accounting policies (continued)

3.6. Financial Instruments (continued)

(d) Trade and other payables

Trade payables are initially measured at their fair value and are subsequently measured at their amortised cost using the effective interest method; this method allocates interest expense over the relevant period by applying the 'effective interest rate' to the carrying amount of the liability.

(e) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of comprehensive income over the period of the borrowings using the effective interest method.

4. Critical accounting judgements and key sources of estimation uncertainty

In the process of applying accounting policies, management has made the following estimate and judgement that have the most significant effect on the amounts recognised in the financial statements.

Estimate:

- the setting and implementing of the policy on revenue recognition (see note 3.3).

Judgement:

- the valuation of work-in-progress in productions and the analysis of estimated future revenue streams and the resulting determination of any required impairment.

The Night Manager Distribution Limited

Notes to the financial statements (continued) For the year ended 31 December 2021

5. Revenue

	Year ended 31 December 2021 \$'000	Year ended 31 December 2020 \$'000
Licence fees	847	3,020
Royalties received	120	291
	<u>967</u>	<u>3,311</u>

Revenue by geographical location for year ended 31 December 2021 and 2020 is as follows;

	Year ended 31 December 2021 \$'000	Year ended 31 December 2020 \$'000
United States	542	2,535
Asia	276	20
Europe	91	220
United Kingdom	58	536
	<u>967</u>	<u>3,311</u>

6. Operating profit for the year

Profit for the year has been arrived at after charging:

	Year ended 31 December 2021 \$'000	Year ended 31 December 2020 \$'000
Foreign exchange loss on transactions	6	6
Other operating income	-	37

The Company had no employees during the current or prior year.

Directors' remuneration for their services were borne by another group company which is disclosed in the consolidated accounts.

Audit fees for the statutory audit were borne by another group company and amounted to \$7,000 (2020: \$10,000).

The Night Manager Distribution Limited

Notes to the financial statements (continued) For the year ended 31 December 2021

7. Taxation

	Year ended 31 December 2021 \$'000	Year ended 31 December 2020 \$'000
Current tax charge	-	-
Deferred tax charge	-	-
Total tax charge on profit on ordinary activities	-	-

The current tax charge for the year can be reconciled to the profit in the income statement as follows:

	Year ended 31 December 2021 \$'000	Year ended 31 December 2020 \$'000
Profit before tax on continuing operations	60	230
Tax charge at the income tax rate of 19% (2020: 19%)	11	44
Utilisation of tax losses in subsidiary undertakings not previously recognised	(11)	(44)
Total tax charge for the year	-	-

8. Investments

Effective from 22 July 2019, the Company owned 1% of the production company Producciones Fortaleza, Agrupación de Interés Económico which had a registered address of Calle Príncipe de Vergara 112, 4ª Planta 28002, Madrid, Spain. This Company was dissolved on 05 January 2021.

9. Debtors

	As at 31 December 2021 \$'000	As at 31 December 2020 \$'000
Amounts owed by group undertakings	2,661	2,117
Prepayments and accrued income	1,115	1,928
Trade receivables	3	1,094
Other receivables	-	19
Other taxes	8	-
	3,787	5,158

The Night Manager Distribution Limited

Notes to the financial statements (continued) For the year ended 31 December 2021

9. Debtors (Continued)

In determining the recoverability of a trade receivable the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

Amounts included within trade receivables represent amounts due from customers. The Director believes that the carrying value of trade and other receivables is considered to represent its fair value. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable shown above. The Company does not hold any collateral as security. The amounts owed by group undertakings are receivable on demand from a fellow member of the group with no interest being charged.

10. Creditors: Amounts falling due within one year

	As at 31 December 2021 \$'000	As at 31 December 2020 \$'000
Borrowings	970	-
Accruals and deferred revenue	770	3,450
Trade payables	8	16
Other taxes	-	2
	<u>1,748</u>	<u>3,468</u>

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. They are non-interest bearing. The Directors consider that the carrying value of trade and other payables approximates their fair value as the impact of discounting is insignificant. The Company has financial risk management policies in place to ensure that all payables are paid within agreed terms and no interest has been charged by any suppliers as a result of late payment of invoices.

In 2021, the Company entered into a supplementary loan facility arrangement with Natixis Coficiné which is secured over the future minimum guarantee payments for certain distributor agreements. The facility was drawn down in 2021 and will be fully repaid in 2022 and had a variable interest rate calculated using 3-month US LIBOR plus a 2% margin. Interest and other borrowing costs of \$52,000 related to this facility has been reflected within cost of sales in the current year as the loan proceeds were paid into the collection account and distributed to the various profit participants in the project.

Natixis Coficiné S.A. has a fixed charge over all the Company's rights, title and interest in this television series and a floating charge over the rest of the Company's present and future undertakings which the Company considers a typical security arrangement for an independently financed television production.

The Night Manager Distribution Limited

Notes to the financial statements (continued) For the year ended 31 December 2021

11. Share capital

	As at 31 December 2021 \$'000	As at 31 December 2020 \$'000
Issued and fully paid:		
Ordinary shares 100 at £1 per share	-	-

The Company's share capital is \$137 (£100) as at 31 December 2021 (2020: \$137 (£100)).

12. Retained earnings

	\$'000
Balance at 01 January 2020	2,167
Profit for the year	230
Balance at 31 December 2020	2,397
Profit for the year	60
Balance at 31 December 2021	2,457

13. Parent undertaking and controlling party

The immediate parent company and controlling entity, is The Ink Factory Limited, a company incorporated in England and Wales, United Kingdom.

The ultimate parent company and controlling entity, and the parent of the smallest and largest group that prepares consolidated financial statements and includes the company, is The Ink Factory Limited, a company incorporated at 53 Frith Street, London, England, United Kingdom. Copies of the group financial statements are available from The Ink Factory Limited at its registered office.