LIFECYCLE MARKETING GROUP LTD

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

REGISTERED NUMBER 07475444

FOR THE YEAR ENDED 31 DECEMBER 2022

Company information

Directors	Thomas Dehn Bret Richter Jeremy D Rossen Daniel Stone George Wukosen
Company number	07475444
Registered office	18 Mansell Street Level 3 London E1 8AA
Auditor	WP Audit Limited Chartered Accountants *Statutory Auditor* TOR *Saint-Cloud Way* Maidenhead Berkshire SL6 8BN

Contents

Directors' Report

The directors present their report and the audited financial statements of Lifecycle Marketing Group Ltd (the "Company") and its subsidiary undertakings (together the "Group") for the year ended 31 December 2022.

Principal activities

The principal activity of the Company is a holding company of businesses that are engaged with the marketing of services to Prenatal and Postnatal mothers and young families via both online and offline channels. These channels include popular and innovative websites, engaged social media communities, social media influencers, smart phone apps, sampling packs, widely distributed publications and email marketing.

Results and dividends

The results for the year can be found of page 7.

The directors paid a dividend of £nil in respect of the current financial year (2021: £972,000).

Directors

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

Thomas Dehn (appointed 21 January 2022)
Bret Richter (appointed 26 May 2022)
Jeremy D Rossen (appointed 21 January 2022)
Daniel Stone (appointed 21 January 2022)
George Wukoson (appointed 21 January 2022)
Geoffery Inns (appointed 3 March 2022 & resigned 15 December 2022)
Nicholas M Wells (resigned 21 January 2022)
Paul O Seligman (resigned 21 January 2022)
Ruth Wells (resigned 21 January 2022)

Qualifying third party indemnity provisions

The Company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Going concern

The Group posted a profit after tax for the year of £2,007,000 (2021: £2,538,000) and had net assets at the balance sheet date of £5,289,000 (2021: £3,282,000). The directors expect the Group to continue to trade profitably for the foreseeable future and the Group will have means to pay its creditors as they fall due, and therefore these financial statements have been prepared on a going concern basis.

Directors' report *(continued)*

Disclosure of information to auditor

Each of the persons who are directors 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 and Group's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company and Group'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.

Small companies exemption

In preparing this report, the directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

By order of the board

Thomas Dehn

Thomas Dehn
Director

Date: 12 December 2023

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the consolidated 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 applicable law United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' section 1A. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and Group will continue in business.

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

Independent auditor's report to the member of LIFECYCLE MARKETING GROUP LTD

We have audited the financial statements of Lifecycle Marketing Group Limited (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Income Statement and Other Comprehensive Income, Consolidated and Company Balance Sheet, Consolidated and Company Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). The prior year was not subject to audit.

In our opinion the financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2022 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 director's 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 group'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 director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Independent auditor's report to the member of LIFECYCLE MARKETING GROUP LTD *(continued)*

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director
As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 director determines 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 director is responsible for assessing the group'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 director either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlines 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud.
- The engagement partners ensured that the engagement team collectively had the appropriate competence, capabilities and skill to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with directors and other management, and from our commercial knowledge and experience of the recruitment sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation
- we assessed the extent of compliance with laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instance of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement including obtaining an understanding of how fraud might occur, by;

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the group's remuneration policies.

Independent auditor's report to the member of LIFECYCLE MARKETING GROUP LTD *(continued)*

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
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Audit response to risks identified
In response to the risk of irregularities and non-compliance with laws and regulations; we designed procedures which included, but were not limited to;

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and group's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
This report is made solely to the group'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 group's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and the group's members as a body, for our audit work, for this report, or for the opinions we have formed.

21/12/2023

Philippa Duckworth BSc FCCA (Senior Statutory Auditor)
for and on behalf of WP Audit Limited
Statutory Auditors
TOR
Saint-Cloud Way
Maidenhead
Berkshire
SL6 8BN

Consolidated Profit and Loss Account and Other Comprehensive Income
for the year ended 31 December 2022

	Note	2022	2021 Unaudited
		£'000	£'000
Turnover		7,244	7,758
Cost of sales		(2,188)	(2,836)
Gross profit		5,056	4,922
Administrative expenses	4	(3,476)	(3,690)
Other operating income	5	-	1,904
Profit on ordinary activities before taxation		1,580	3,136
Tax on profit	7	427	(598)
Profit for the financial year		2,007	2,538

All activity in both the current and prior periods relate to continuing operations. There was no other comprehensive income in either the current or the prior period.

The notes on pages 12 to 25 are an integral part of the financial statements.

Consolidated Balance Sheet

At 31 December 2022

	Note	2022	2022	2021 Unaudited	2021 Unaudited
		£'000	£'000	£'000	£'000
Non-Current assets					
Intangible assets	*8*	159		200	
Tangible assets	*9*	29		24	
			188		224
Current assets					
Debtors	*12*	4,523		1,802	
Stock	*11*	96		8	
Cash at bank and in hand	*13*	2,870		3,821	
		7,489		5,631	
Current liabilities					
Creditors: amounts falling due within one year	*14*	(2,388)		(2,573)	
Net current assets			5,101		3,058
Net assets			5,289		3,282
Capital and reserves					
Called up share capital	*16*		203		203
Profit and loss account			5,086		3,079
Total Shareholder's funds			5,289		3,282

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 section 1A - small entities.

These financial statements were approved by the board of directors on 12 December 2023 and were signed on its behalf by:

Thomas Dehn
Director
Company registered number: 07475444

The notes on pages 12 to 25 are an integral part of the financial statements.

Company Balance Sheet
At 31 December 2022

	Note	2022	2022	2021 Unaudited	2021 Unaudited
		£'000	£'000	£'000	£'000
Non-Current assets					
Intangibles	8	4		5	
Investments	10	684		1,193	
			688		1,198
Current assets					
Debtors	12	1,213		1	
Cash at bank and in hand	13	1,756		3,671	
		2,969		3,672	
Current liabilities					
Creditors, amounts falling due within one year	14	(2,661)		(3,627)	
Net current assets			308		45
Net assets			996		1,243
Capital and reserves					
Called up share capital	16		203		203
Profit and loss account			793		1,040
Total Shareholder's funds			996		1,243

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 section 1A - small entities

The loss for the financial year of the parent company was £247,000 (2021: profit of £1,131,000).

These financial statements were approved by the board of directors on 12 December 2023 and were signed on its behalf by:

Thomas Dehn
Director
Company registered number: 07475444

The notes on pages 12 to 25 are an integral part of the financial statements.

Consolidated Statement of Changes in Equity
for the year ended 31 December 2022

	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2021	203	1,513	1,716
Profit for the financial year	-	2,538	2,538
Total comprehensive income for the year	-	2,538	2,538
Dividends paid	-	(972)	(972)
Balance at 1 January 2022	**203**	**3,079**	**3,282**
Profit for the financial year	-	2,007	2,007
Total comprehensive income for the year	**-**	**2,007**	**2,007**
Balance at 31 December 2022	**203**	**5,086**	**5,289**

The notes on pages 12 to 25 are an integral part of the financial statements.

Company Statement of Changes in Equity
for the year ended 31 December 2022

	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2021	203	881	1,084
Profit for the financial year	-	1,131	1,131
Total comprehensive income for the year	-	1,131	1,131
Dividends paid	-	(972)	(972)
Balance at 1 January 2022	203	1,040	1,243
Loss for the financial year	-	(247)	(247)
Total comprehensive expense for the year	-	(247)	(247)
Balance at 31 December 2022	203	793	996

The notes on pages 12 to 25 are an integral part of the financial statements.

Notes

1 General information

Lifecycle Marketing Group Ltd is a private company limited by shares incorporated in England and Wales (registered number 07475444). The registered office is 18 Mansell Street, Level 3, London, E1 8AA.

The principal activity of the Company is a holding company of businesses that are engaged with the marketing of services to Prenatal and Postnatal mothers and young families via both online and offline channels. These channels include popular and innovative websites, engaged social media communities, social media influencers, smart phone apps, sampling packs, widely distributed publications and email marketing.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements have been prepared under historical cost convention unless otherwise specified within these accounting policies and in accordance with section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. Details of the Company's results are included on page 9.

2.2 Exemptions for qualifying entities

The Company has taken advantage of the following exemptions under FRS 102 in its individual financial statements:

- from preparing a statement of cash flow under the exemption allowed under FRS 102 paragraph 1.12(b);
- from the financial instrument disclosures, required under FRS 102 paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidation financial statement disclosures, and
- from disclosing the company key management personal compensation, as required by FRS 102 paragraph 33.7.

The Group has taken advantage of the following exemptions on the basis that the Group qualifies as small:

- from preparing a strategic report under section 414A of the Companies Act 2006;
- from preparing a consolidated statement of cash flows under the exemption allowed under FRS 102 paragraph 3.1B; and
- from disclosing the remuneration and other benefits attributable to the highest paid director

Notes *(continued)*

2 Accounting policies *(continued)*

2.3 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2022.

Subsidiaries
Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated using the purchase method of accounting from the date that control commences until the date that control ceases. Accounting policies of subsidiaries have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

Transactions eliminated on consolidation
Intragroup balances and any unrealised gains and losses or income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements.

Company financial statements
Investments in subsidiaries are carried at cost less provision for any impairment. Dividend income is recognised when the right to receive payment is established.

2.4 Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the Company.

At the acquisition date, the Company recognises goodwill at the acquisition date as:

- the fair value of the consideration (excluding contingent consideration) transferred; plus
- estimated amount of contingent consideration (see below); plus
- the fair value of the equity instruments issued; plus
- directly attributable transaction costs; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities and contingent liabilities assumed.

When the excess is negative, this is recognised and separately disclosed on the face of the balance sheet as negative goodwill.

2.5 Going concern

The Group posted a profit after tax for the year of £2,007,000 and had net assets at the balance sheet date of £5,289,000. The directors expect the Group to continue to trade profitably for the foreseeable future and the Group will have means to pay its creditors as they fall due, and therefore these financial statements have been prepared on a going concern basis.

2.6 *Foreign currency*

Transactions in foreign currencies are translated to the Group's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Notes *(continued)*

2 Accounting policies *(continued)*

2.7 Turnover

Turnover represents the amounts receivable, excluding VAT, for both sales made in the period for the provision of magazine and online advertising services and marketing services comprising providing sampling packs on behalf of brands to end consumers. Turnover for online advertising is recognised over the period when the advert is shown on the relevant site. Turnover for magazine advertising is recognised when the magazines are published. Turnover for providing sample packs is recognised over the period when the sample packs are sent to the end consumers.

2.8 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

• Website development costs	3 years
• Trademarks	10 years

The Company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Intangible assets are tested for impairment in accordance with FRS 102 section 27 Impairment of assets when there is an indication an intangible asset may be impaired.

2.9 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

• Plant and equipment	3 years
• IT equipment	3 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

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

Notes *(continued)*

2 Accounting policies *(continued)*

2.10 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the Company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Company holds a long-term interest and where the Company has significant influence. The Company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the Company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs principally comprise of goods purchased for resale and the cost of bringing them to their present location.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

2.12 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities unless a legally enforceable right to offset exists.

2.13 Financial instruments

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

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

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

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

Notes *(continued)*

2 Accounting policies *(continued)*

2.13 Financial instruments *(continued)*

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

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

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

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

2.14 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense. Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes *(continued)*

2 Accounting policies *(continued)*

2.15 Employee benefits

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

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

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

2.16 Retirement benefits

The Group operates a defined contribution personal pension plan for all eligible employees in line with government legislation. Company contributions to this scheme are recognised as an expense through the profit and loss account when the contributions are made.

2.17 Expenses

Operating leases
Payments made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Interest receivable and Interest payable
Interest payable and similar charges include interest payable and net foreign exchange losses that are recognised in the profit and loss account.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the Company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

2.18 Related party transactions

The Group discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the group financial statements.

2.19 Distributions to equity holders

Dividends and other distributions to the Group's shareholder are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholder. These amounts are recognised in the statement of changes in equity.

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

Notes *(continued)*

3 Judgements and key sources of estimation uncertainty

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

Impairment
The directors have considered the valuation of investments in subsidiaries. Changes in the circumstances or expectations of the future performance of an individual asset may be an indicator that the asset is impaired requiring the book value to be written down to its recoverable amount. Impairments are reversed if the conditions for impairment are no longer present. Due to their nature, evaluating whether an asset is impaired or not requires a significant degree of judgement and may to a large extent depend on the assumptions made in its evaluation.

4 Auditor's remuneration

Profit on ordinary activities after taxation is stated after charging :

Group

	2022	2021 Unaudited
	£'000	£'000
Auditor's remuneration:		
Audit of these financial statements	5	-
Audit of subsidiary financial statements	24	-

5 Exceptional items

Group

	2022	2021 Unaudited
	£'000	£'000
Income		
Other operating income	-	1,904

In 2021 the directors released a provision of £1.904m that had been created in 2020 to cover a potential legal risk to the Group. Following rulings by the Judiciary in 2021 and their impact on case law, the directors consider this risk to be insufficient to justify this carrying forward this provision.

6 Employees

The average number of persons employed by the Group (excluding directors) during the year, analysed by category, was as follows:

Group	2022	2021 Unaudited
	No.	No.
Total	30	30

Notes *(continued)*

6 Employees *(continued)*

The average number of persons employed by the Company (excluding directors) during the year was nil (2021: nil)

The directors are remunerated elsewhere in the Group headed up by the Company's ultimate controlling party, Ziff Davis Inc. Their services to the Company and Group are of a non-executive nature and their remuneration is deemed to be wholly attributable to their services to other group companies.

7 Taxation

Group	2022	2021 Unaudited
	£'000	£'000
Current tax		
Current tax charge on income for the period	-	595
Adjustments in respect of prior periods	(3)	-
Deferred tax		
Origination and reversal of timing differences	(424)	3
Total tax (credit)/charge	(427)	598

All current and deferred tax was recognised directly through the Profit and Loss Account in both the current and prior years.

The total tax (credit)/charge for the period is lower than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below.

Reconciliation of effective tax rate

Group	2022	2021 Unaudited
	£'000	£'000
Profit for the year	2,007	2,538
Total tax (credit)/charge	(427)	598
(Loss)/Profit excluding taxation	1,580	3,136
Tax using the UK corporation tax rate of 19% (2021: 19%)	300	596
Non-deductible expenses	7	2
Tax relief on share options	(640)	-
Losses not utilised	(102)	-
Other tax differences	13	-
Fixed asset differences	(2)	
Adjustments in respect of prior periods	(3)	-
Taxation (credit)/charge for the year	(427)	598

The tax relief on share options is due to EMI share options which were exercised in January 2022, giving rise to tax losses in the year and associated deferred tax. No share-based payment charge had been recognised in these financial statements for these EMI share options as the directors deemed them to be immaterial to the Group's results.

Notes *(continued)*

8 Intangible assets

Group	Website *development* £'000	*Trademarks* £'000	Total £'000
Cost			
Balance at 1 January 2022 (Unaudited)	732	5	737
Additions	71	-	71
Balance at 31 December 2022	**803**	**5**	**808**
Amortisation			
Balance at 1 January 2022 (Unaudited)	537	-	537
Amortisation for the year	111	1	112
Balance at 31 December 2022	**648**	**1**	**649**
Net book value			
At 31 December 2022	**155**	**4**	**159**
At 1 January 2022 (Unaudited)	195	5	200

Company	Trademarks £'000
Cost	
Balance at 1 January 2022 (Unaudited)	5
Additions	-
Balance at 31 December 2022	**5**
Amortisation	
Balance at 1 January 2022 (Unaudited)	-
Amortisation for the year	1
Balance at 31 December 2022	**1**
Net book value	
At 31 December 2022	**4**
At 1 January 2022 (Unaudited)	5

Notes *(continued)*

9 Tangible assets

Group	Plant and Equipment £'000	IT Equipment £'000	Total £'000
Cost			
Balance at 1 January 2022 (Unaudited)	868	-	868
Additions	10	12	22
Balance at 31 December 2022	878	12	890
Depreciation			
Balance at 1 January 2022 (Unaudited)	844	-	844
Depreciation charge for the year	15	2	17
Balance at 31 December 2022	859	2	861
Net book value			
At 31 December 2022	**19**	**10**	**29**
At 1 January 2022 (Unaudited)	24	-	24

Company

The Company had no tangible fixed assets at 31 December 2022 (2021: £nil).

10 Fixed asset investments

Company	2022 £'000	2021 Unaudited £'000
Shares in group undertakings and participating interests	**684**	1,193

	Investment in subsidiaries £'000
Cost or valuation	
At 1 January 2022 (Unaudited)	1,193
Impairment	(509)
At 31 December 2022	**684**
Carrying amount	
At 31 December 2022	**684**
At 1 January 2022 (Unaudited)	1,193

The directors have considered the valuation of investments in subsidiaries. Changes in the circumstances or expectations of the future performance of an individual asset may be an indicator that the asset is impaired requiring the book value to be written down to its recoverable amount. Impairments are reversed if the conditions for impairment are no longer present. Due to their nature, evaluating whether an asset is impaired or not requires a significant degree of judgement and may to a large extent depend on the assumptions made in its evaluation.

Notes *(continued)*

10 Fixed asset investments *(continued)*

In 2022, upon conducting their review, the directors considered the fact that the group's subsidiary Families Online Limited has been incurring significant annual losses to be a potential indicator of impairment. They reviewed the net present value of forecast expected future cash flows from this entity and concluded that the investment in this subsidiary was impaired and booked an impairment charge to reduce the carrying value of this asset to its recoverable amount.

Subsidiary undertakings

The directors are of the opinion that the investments in subsidiaries and associates are not worth less than the current book value.

Details of the Company's subsidiaries are listed below:

Name	Registered office	Nature of business	Class of shares held	% Held Direct/indirect
Lifecycle Marketing (Mother & Baby) Limited	England	Advertising and marketing	Ordinary shares	100%
Families Online Limited**	England	Advertising and marketing	Ordinary shares	100%
2.4 Families Limited* **	England	Advertising and marketing	Ordinary shares	100%

All of the above subsidiaries that are incorporated in England have their registered office at the same address as the parent company, 18 Mansell Street, Level 3, London, E1 8AA.

* held indirectly

** For the year ended 31 December 2022, the company is entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

11 Stocks

	2022 £'000	2021 Unaudited £'000
Finished Goods	96	8

Notes *(continued)*

12 Debtors

Group	2022 £'000	2021 Unaudited £'000
Amounts falling due within one year:		
Trade debtors	1,598	1,289
Amounts owed by related parties	1,883	-
Other debtors	24	24
Accrued income	513	338
Prepayments	75	145
	4,093	1,796
Amounts falling due after more than one year:		
Deferred tax asset	430	6
Total debtors	4,523	1,802

Company	2022 £'000	2021 Unaudited £'000
Due within one year:		
Amounts owed by group undertakings	3	-
Amounts owed by related parties	1,210	-
Other debtors	-	1
	1,313	1

The amounts owed by group undertakings and other related parties are unsecured, repayable on demand and non-interest bearing.

13 Cash and cash equivalents

Group	2022 £'000	2021 Unaudited £'000
Cash at bank and in hand	2,870	3,821
	2,870	3,821

Company	2022 £'000	2021 Unaudited £'000
Cash at bank and in hand	1,756	3,671
	1,756	3,671

Notes *(continued)*

14 Creditors: amounts falling due within one year

Group	2022	2021 Unaudited
	£'000	£'000
Trade creditors	394	747
Amounts owed to related parties	20	-
Taxation and social security	295	319
Deferred income	714	307
Accruals	353	495
Other creditors	20	111
Corporation tax payable	592	594
	2,388	2,573

Company	2022	2021 Unaudited
	£'000	£'000
Trade creditors	-	13
Amounts owed to group undertakings	2,613	3,614
Amounts owed to related parties	15	-
Deferred income	33	-
	2,661	3,627

The amounts owed to group undertakings and other related parties are unsecured, repayable on demand and non-interest bearing.

15 Operating leases

At the reporting end date the Group had total outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

Group	2022	2021 Unaudited
	£'000	£'000
	369	73

The Company had no outstanding commitments for future minimum lease payments under non-cancellable operating leases.

Notes *(continued)*

16 Called up share capital

Group and Company	2022	2021 Unaudited	2022	2021 Unaudited
	Number	Number	**£'000**	£'000
Allotted, called up and fully paid				
Ordinary A shares of £1 each	**90,000**	90,000	**90**	90
Ordinary B shares of £1 each	**90,000**	90,000	**90**	90
Ordinary C shares of £1 each	**23,045**	90,000	**23**	23
	203,045	203,045	**203**	203

The Ordinary A, B and C shares rank pari passu in terms of voting, participation and dividend rights.

17 Reserves

Share capital
Share capital represents the nominal value of shares issued

Profit and loss account
Profit and loss account represents the retained earnings of the Group from realised gains and losses.

18 Related party transactions

During the year the Group entered into transactions, in the ordinary course of business, with related parties. The Group has taken advantage of the exemption under the paragraph 33.1A of FRS 102 not to disclose transactions with fellow subsidiaries under common ownership.

During the period from 1 January 2022 to 21 January 2022, the Group purchased marketing services from the Whistl Group Ltd (formerly TNT Post Limited) for £45,191 (2021: £1,278,591 full year), a company where Nick Wells is also a director. The balance outstanding for these related party purchases were fully settled in the year. The balance outstanding at 31 December 2022 was £nil (2021: £16,158).

18 Controlling party

As of 21 January 2022, the ultimate parent company of Lifecycle Marketing Group Ltd is Ziff Davis Inc., a company incorporated in the United States of America and listed on NASDAQ. Group accounts are available from Ziff Davis Inc. trades under the symbol ZD. Ziff Davis, Inc. was previously known as J2 Global, Inc. J2 Global, Inc. changed its name on October 7, 2021.