

LOSTMY.NAME LTD

Annual Report and Financial Statements

Year Ended

31 May 2023

Company Number 08305498

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LOSTMY.NAME LTD

Company Information

Directors	R J H Howell A M Sharabi
Company secretary	CC Secretaries Limited
Registered number	08305498
Registered office	21 Brownlow Mews London WC1N 2LD
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

LOSTMY.NAME LTD

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LOSTMY.NAME LTD

Strategic Report For the Year Ended 31 May 2023

The directors present their Strategic Report and the audited financial statements for the year ended 31 May 2023.

Principal activities

The principal activity of the Company (trading as Wonderbly) is the publishing and sale of personalised books.

Business review

In the financial year ended 31 May 2023, Wonderbly increased revenue by 20% (2022 - 9%), from £35.7m to £42.8m. Revenue growth was driven by a broadening of our book portfolio, including an expansion from children's books to those targeting adults, and adding further markets and trading occasions throughout the year.

As a result of this commercial success, gross profit increased by 20% (2022 - 11%) from £24.3m to £29.2m. Despite a significant investment in overheads to support future growth strategies, underlying EBITDA increased by 11% to £6.9m (2022 - £6.2m). Post year-end, we have continued to see strong trading and the Group is actively broadening its offer beyond children's titles including the acquisition of Historic Newspapers in June 2023.

Operating result review

	2023 £000	2022 £000
Sales	42,804	35,704
Gross profit	29,193	24,332
GP%	68%	68%
Underlying EBITDA	6,920	6,227

Principal risks and uncertainties

Economic Environment

While the global macroeconomic environment has been negative, the Group has not been affected by this to date. The directors will continue to monitor and consider the possible future impact on the Company strategy.

Russia - Ukraine conflict

The directors do not anticipate a significant impact on the business arising from the Russia-Ukraine conflict. The directors believe the Group has the necessary fund to deal with any significant fuel price changes.

Foreign exchange risks

The Company's operating expenses are partly invoiced in foreign currencies including Euro and USD denominated transactions and fluctuations in exchange rates is therefore a principal risk to the business. The directors consider that the Company has a partial natural hedge in place in respect of this, where receipts and payments are broadly matched.

This report was approved by the board and signed on its behalf by:

DocuSigned by:

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R J H Howell
Director

Date: 27 October 2023

LOSTMY.NAME LTD

Directors' Report For the Year Ended 31 May 2023

The directors present their report and the audited financial statements for the year ended 31 May 2023.

Principal activity

The principal activity of the Company is that of publishing personalised books.

Results and dividends

The profit for the year, after taxation, amounted to £2.9m (2022 - £4.9m).

The Company declared and paid dividends of £600k during the year (2022 - £Nil).

Going concern

The financial statements have been prepared on a going concern basis. The management of the Company has analysed the current financial strength of the business and prepared forecasts, including implications on the Group's cash flow based on a variety of scenarios. These have included scenarios that model severe loss of business or restrictions to cash flow as a result of a potential ongoing decline in the economic environment of our customers over the next twelve months from the date of approval of the financial statements and beyond including downside stress testing in line with the FRC guidance issued on 26th March 2020. The Board is satisfied given current trading and the economic environment that the Group is well positioned to withstand future shocks.

Directors

The directors who served during the year and up to the date of the financial statements unless otherwise stated were:

R J H Howell
A M Sharabi

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

LOSTMY.NAME LTD

Directors' Report (continued) For the Year Ended 31 May 2023

Directors' responsibilities statement (continued)

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.

Disclosure of information to auditor

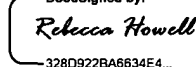
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- 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 ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:

DocuSigned by:

.....328D922BA6634E4.....
R J H Howell
Director

Date: 27 October 2023

LOSTMY.NAME LTD

Independent Auditor's Report to the Members of LOSTMY.NAME LTD

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 May 2023 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.

We have audited the financial statements of Lostmy.Name Limited ("the Company") for the year ended 31 May 2023 which comprise the statement of Comprehensive Income, the statement of Financial Position, the statement of changes in equity and the notes to the financial statements, including a summary of significant accounting policies. 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

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.

LOSTMY.NAME LTD

Independent Auditor's Report to the Members of LOSTMY.NAME LTD (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, 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.

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.

Other Companies Act 2006 reporting

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

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or 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; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime.

Responsibilities of directors

As explained more fully in the 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.

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.

LOSTMY.NAME LTD

Independent Auditor's Report to the Members of LOSTMY.NAME LTD (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.

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

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be the applicable accounting framework, Companies Act 2006, data privacy and the relevant tax regulations including but not limited to, Corporate and VAT legislation, and Employment Taxes etc.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation etc.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of the company's tax computation and returns
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

LOSTMY.NAME LTD

Independent Auditor's Report to the Members of LOSTMY.NAME LTD (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and revenue.

Our procedures in respect of the above included:


- Testing journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias; and
- Assessing whether the revenue recognition policies adopted by the Group and Company comply with accounting standards. We performed a detail test of revenue by agreeing a sample of revenue to cash received and payment reports obtained from third party payment providers to the company. This included testing the translation of foreign currency sales. We tested a sample of refunds by tracing to the payment provider statement confirming the refund was provided to the customer. We also performed a cut-off test of sales around year end based on order fulfilment cycle timings.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities is available on 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.

DocuSigned by:

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Andrew Viner (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom

Date: 27 October 2023

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

LOSTMY.NAME LTD**Statement of Comprehensive Income
For the Year Ended 31 May 2023**

	Note	2023 £000	2022 £000
Turnover	4	42,804	35,704
Cost of sales		(13,611)	(11,372)
Gross profit		29,193	24,332
Administrative expenses - ongoing		(25,249)	(19,873)
Administrative expenses - exceptional	13	(156)	(100)
Total administrative expenses	6	(25,405)	(19,973)
Other operating income	5	-	2
Total operating profit		3,788	4,361
Interest receivable and similar income	10	32	-
Profit before taxation		3,820	4,361
Tax on profit	11	(930)	547
Profit for the financial year		2,890	4,908

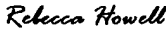
The notes on pages 11 to 27 form part of these financial statements.

LOSTMY.NAME LTD
Registered number: 08305498

Statement of Financial Position
As at 31 May 2023

	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	14	3,323	2,410
Tangible fixed assets	15	373	254
Investments	16	28	28
		<u>3,724</u>	<u>2,692</u>
Current assets			
Stocks	17	717	719
Debtors	18	5,036	4,915
Cash and cash equivalents		5,534	2,279
		<u>11,287</u>	<u>7,913</u>
Current liabilities			
Creditors: amounts falling due within one year	19	(6,657)	(4,924)
		<u>4,630</u>	<u>2,989</u>
Net current assets			
Provisions for liabilities			
Deferred tax	21	(383)	-
		<u>7,971</u>	<u>5,681</u>
Net assets			
Capital and reserves			
Share capital	22	2	2
Share premium account	23	3,780	3,780
Profit and loss account	23	4,189	1,899
Total equity		<u>7,971</u>	<u>5,681</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

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R J H Howell
 Director

Date: 27 October 2023

The notes on pages 11 to 27 form part of these financial statements.

LOSTMY.NAME LTD**Statement of Changes in Equity
For the Year Ended 31 May 2023**

	Share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 June 2021	2	12,002	(3,009)	8,995
Comprehensive income for the year				
Profit for the year	-	-	4,908	4,908
Total comprehensive income for the year	-	-	4,908	4,908
Dividends	-	-	(8,271)	(8,271)
Share options	-	49	-	49
Share premium reduction	-	(8,271)	8,271	-
Total transactions with owners	-	(8,222)	-	(8,222)
At 1 June 2022	2	3,780	1,899	5,681
Comprehensive income for the year				
Profit for the year	-	-	2,890	2,890
Total comprehensive income for the year	-	-	2,890	2,890
Dividends	-	-	(600)	(600)
Total transactions with owners	-	-	(600)	(600)
At 31 May 2023	2	3,780	4,189	7,971

The notes on pages 11 to 27 form part of these financial statements.

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

1. General information

The Company is a private company limited by shares, registered in England and Wales. The registered office address is 21 Brownlow Mews, London, WC1N 2LD.

The principal activity of the Company during the year was that of sales of personalised children's books.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.3 Going concern

The financial statements have been prepared on a going concern basis. The management of the Company has analysed the current financial strength of the business and prepared forecasts, including implications on the Group's cash flow based on a variety of scenarios. These have included scenarios that model severe loss of business or restrictions to cash flow as a result of a potential ongoing decline in the economic environment of our customers over the next twelve months from the date of approval of the financial statements and beyond including downside stress testing in line with the FRC guidance issued on 26th March 2020. The Board is satisfied given current trading and the economic environment that the Group is well positioned to withstand future shocks.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentation currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

2. Accounting policies (continued)

2.4 Foreign currency translation (continued)

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'administrative expenses'.

2.5 Turnover

Revenue from the sale of goods is recognised when the Company has transferred the significant risks and rewards of ownership to the buyer and it is probable that the Company will receive the previously agreed upon payment. These criteria are considered to be met when the goods are delivered to the buyer.

Production revenue comprises recharged costs incurred while working on the design of products on the behalf of third parties. Revenue is recognised when the service is delivered which is considered to be the point at which the cost is incurred.

2.6 Operating leases

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.8 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

2. Accounting policies (continued)

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and 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.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.11 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.12 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Website development costs

Where websites are expected to generate future revenues in excess of the costs of developing these websites and all other capitalisation criteria are met, expenditure on the functionality of the website is capitalised and treated as an intangible fixed asset. Expenditure incurred on maintaining websites including 'testing' and 'bug fixes' are written off as incurred.

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

2. Accounting policies (continued)

2.13 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 3 years
Office equipment	- 3 years
Computer equipment	- 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.15 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised to 'administrative expenses' on a straight line basis over their expected useful economic lives which is 3 years.

2.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

2.17 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

2. Accounting policies (continued)

2.19 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.21 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

2.22 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements.

- *Impairment of tangible and intangible assets*

The group determines whether there are indicators of impairment of the group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

- *Capitalisation of development costs*

Judgment is required in assessing whether the development costs meet the criteria for capitalisation. Management evaluates, among other factors, whether there are future economic benefits beyond the current period, the stage at which technical feasibility has been achieved, management's intention to complete and use or sell the product, the likelihood of success, availability of technical and financial resources to complete the development phase, and management's ability to measure reliably the expenditure attributable to the project.

- *Carrying value of investments*

The group determines whether there are indicators of impairment of the company's investments in subsidiaries. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

- *Useful lives of intangible assets*

Intangible assets are amortised over their useful lives. Useful lives are based on the management's estimates of the period that the assets will generate revenue. These estimates are reviewed at least annually and changes to these estimates can result in significant variations in the carrying value and amounts charged to the Statement of Comprehensive Income and other comprehensive income.

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

4. Turnover

An analysis of turnover by class of business is as follows:

	2023 £000	2022 £000
Sale of goods	42,804	35,704

Analysis of turnover by country of destination:

	2023 £000	2022 £000
United Kingdom	5,605	4,778
Rest of Europe	7,112	6,381
Rest of the world	30,087	24,545
	42,804	35,704

5. Other operating income

	2023 £000	2022 £000
Sundry income	-	2

The income in the prior year is formed primarily of income charged to third parties for unused stock.

6. Operating profit

The operating profit is stated after charging:

	2023 £000	2022 £000
Depreciation of tangible fixed assets	164	50
Exchange differences	78	70
Other operating lease rentals	323	202
Amortisation of intangibles assets, including goodwill	1,383	1,114

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Notes to the Financial Statements For the Year Ended 31 May 2023

7. Auditor's remuneration

	2023 £000	2022 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	57	51

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the Group accounts of the parent Company.

8. Employees

Staff costs, including directors' remuneration, for the Company, were as follows:

	2023 £000	2022 £000
Wages and salaries	3,515	2,868
Social security costs	569	442
Cost of defined contribution scheme	203	103
	<u>4,287</u>	<u>3,413</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2023 No.	2022 No.
Employees	<u>64</u>	<u>54</u>

9. Directors' remuneration

	2023 £000	2022 £000
Directors' emoluments	<u>-</u>	<u>9</u>

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £Nil (2022 - £268).

10. Interest receivable and similar income

	2023 £000	2022 £000
Other interest receivable	<u>32</u>	<u>-</u>

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

11. Taxation

	2023 £000	2022 £000
Current tax on profits for the year	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	930	(547)
Total deferred tax	930	(547)
Taxation on profit on ordinary activities	930	(547)

Factors affecting tax charge/(credit) for the year

The tax assessed for the year is higher than (2022 - lower than) the standard rate of corporation tax in the UK of 20% (2022 - 19%). The differences are explained below:

	2023 £000	2022 £000
Profit on ordinary activities before tax	3,820	4,361
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2022 - 19%)	764	829
Effects of:		
Other permanent differences	2	(839)
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	32	24
Fixed asset differences	(51)	4
Deferred tax not recognised	(4)	(570)
Remeasurement of deferred tax for changes in tax rates	187	5
Total tax charge/(credit) for the year	930	(547)

At 31 May 2023, there was a tax loss of £547,976 (2022 - £2,280,491) brought forward from prior years. However, this was not recognised in the current financial year.

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Notes to the Financial Statements For the Year Ended 31 May 2023

12. Dividends

	2023 £000	2022 £000
Dividends	600	8,271

13. Exceptional items

There were costs incurred in the year which are deemed to be exceptional in nature. The primary cause of these costs, and a breakdown, has been included below.

Transaction-related costs are one-off costs incurred relating to the sale of the business to Aardvark Bidco Ltd which took place on 22 July 2021, and the acquisition of Historical Newspapers Ltd, which completed after the year end on 30th June 2023.

	2023 £000	2022 £000
Transaction-related costs	156	100

14. Intangible assets

	Website £000
Cost	
At 1 June 2022	5,761
Additions	2,296
At 31 May 2023	8,057
Amortisation	
At 1 June 2022	3,351
Charge for the year	1,383
At 31 May 2023	4,734
Net book value	
At 31 May 2023	3,323
At 31 May 2022	2,410

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

15. Tangible fixed assets

	Fixtures and fittings £000	Office equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 June 2022	288	428	318	1,034
Additions	220	23	32	275
At 31 May 2023	508	451	350	1,309
Depreciation				
At 1 June 2022	116	407	257	780
Charge for the year	96	9	51	156
At 31 May 2023	212	416	308	936
Net book value				
At 31 May 2023	296	35	42	373
At 31 May 2022	172	21	61	254

16. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 June 2022 and 31 May 2023	28

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

16. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Lostmy.name Inc	160 Greentree Drive, Suite 101, Dover, Delaware 19904	Ordinary	100%
Wonderbly Productions Ltd	21 Brownlow Mews, London, WC1N 2LD	Ordinary	100%

Lostmy.name Inc exists to process payments received from the USA.

Wonderbly Productions Ltd is dormant.

The aggregate of the share capital and reserves as at 31 May 2023 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £000	Profit £000
Lostmy.name Inc	43	-
Wonderbly Productions Ltd	-	-

17. Stocks

	2023 £000	2022 £000
Raw materials and parts	717	719

The difference between purchase price or production cost of stocks and their replacement cost is not material.

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

18. Debtors

	2023 £000	2022 £000
Trade debtors	497	329
Amounts owed by group undertakings	3,670	2,238
Other debtors	253	1,194
Prepayments and accrued income	616	607
Deferred taxation	-	547
	<u>5,036</u>	<u>4,915</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

19. Creditors: amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	4,071	2,846
Amounts owed to group undertakings	73	98
Other taxation and social security	633	547
Other creditors	85	71
Accruals and deferred income	1,795	1,362
	<u>6,657</u>	<u>4,924</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

20. Financial instruments

	2023 £000	2022 £000
Financial assets		
Financial assets measured at amortised cost	<u>6,284</u>	<u>5,878</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>5,951</u>	<u>4,377</u>

Financial assets measured at amortised cost comprise cash and cash equivalents, trade and other debtors.

Financial liabilities measured at amortised cost comprise trade and other creditors and accrued expenses.

21. Deferred taxation

	2023 £000	2022 £000
At beginning of year	(547)	-
Charged/(credited) to profit or loss	930	(547)
At end of year	<u>383</u>	<u>(547)</u>

The deferred taxation balance is made up as follows:

	2023 £000	2022 £000
Fixed asset timing differences	530	(10)
Short term timing differences	(10)	(8)
Losses and other deductions	(137)	(529)
	<u>383</u>	<u>(547)</u>

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

22. Share capital

	2023 £	2022 £
Authorised, allotted, called up and fully paid		
11,990,000 (2022 - 11,990,000) Ordinary shares of £0.0001 each	1,199	1,199
4,612,033 (2022 - 4,612,033) Series 'A' shares of £0.0001 each	460	460
1,347,778 (2022 - 1,347,778) Preference shares of £0.0001 each	135	135
1,966,907 (2022 - 1,966,907) Series 'B' shares of £0.0001 each	197	197
	<u>1,991</u>	<u>1,991</u>

Preference shares carry a preferential right to receive the preference payment, being the total subscription amount paid in respect of the share ahead of any payment to holders of Ordinary shares in the event of a capital distribution. Preference shares may be converted at any time into an Ordinary share and will be automatically converted to an Ordinary share prior to a listing.

Other than the above, both classes rank pari passu in all other respects.

23. Reserves

Share capital

Nominal value of called up share capital subscribed for.

Share premium account

Amount subscribed for share capital in excess of nominal value.

Profit and loss account

All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

24. Pension commitments

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independent administered fund. The charge to the Statement of Comprehensive Income in respect of defined contribution schemes was £203,377 (2022 - £103,078). The amount outstanding in respect of defined contribution schemes at the year end was £39,103 (2022 - £40,576).

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

25. Commitments under operating leases

At 31 May 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £000	2022 £000
Not later than 1 year	348	190
Later than 1 year and not later than 5 years	1,042	1,390
	<u>1,390</u>	<u>1,580</u>

26. Related party transactions

The Company has taken advantage of the exemption available under paragraph 33. 1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the Group.

Transactions involving directors

Key management personnel include all directors and a number of senior managers who together have authority and responsibility for planning, directing and controlling the activities of the Group. The total compensation paid to key management personnel for services provided to the Company was £1,333,942 (2022 - £1,092,305).

Project A

The Company transacted with one shareholder in the prior year. Project A Ventures GmbH, provided services to Lostmy.name Ltd throughout the prior year. These services were at arm's length terms and are broken down below. Recharged marketing services was providing software licenses recharged at cost plus pricing. Consulting services related to providing experts to assist with projects.

	2023 £000	2022 £000
Recharged marketing services	-	3
Consulting	-	13
	<u>-</u>	<u>16</u>

27. Post balance sheet events

On 30 June 2023, Lostmy.Name Ltd purchased the entire share capital of Historical Newspapers Ltd.

LOSTMY.NAME LTD

Notes to the Financial Statements For the Year Ended 31 May 2023

28. Controlling party

The immediate parent undertaking is Aardvark Bidco Limited, a company incorporated in England and Wales.

The ultimate parent undertaking is Aardvark Topco Limited, which is the largest group undertakings to consolidate these financial statements at 31 May 2023. The consolidate financial statements are available to the public and can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF12 3VZ.

In the opinion of the directors there is no one ultimate controlling party.

29. Share options

The Company did not grant any share options during the current or prior year. 1,827,135 options were exercised during the prior year, of these, 135,000 options had an exercise price of £0.005, 1,410,308 options had an exercise price of £0.035 and 281,827 options had an exercise price of £0.0001. There were no share options in issue at the year end.