

Registered number: 10938718

THE ATLANTIC MONTHLY UK LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



THE ATLANTIC MONTHLY UK LIMITED

COMPANY INFORMATION

Directors	D Bradley P Lattman
Registered number	10938718
Registered office	100 New Bridge Street London EC4V 6JA
Independent auditor	MHA MacIntyre Hudson Statutory Auditors 2 London Wall Place London EC2Y 5AU

THE ATLANTIC MONTHLY UK LIMITED

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THE ATLANTIC MONTHLY UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Principal activity

The principal activity of the Company is to provide sales representation for its parent company, The Atlantic Monthly Group LLC.

Going concern

The financial statements have been prepared using the going concern basis of accounting that assumes that the Company will be able to meet its financial commitments as they fall due. The robustness of the going concern assumption has been tested since the onset of the Coronavirus (COVID-19) pandemic with the directors reviewing the cash available within the business for the 12 months from the issuance of the financial statements, alongside the support provided by the parent company.

On 11 March 2020, the World Health Organization declared the outbreak of COVID-19 as a global pandemic. Whilst the directors consider that the current liquidity within the Company is adequate to meet all its financial obligations as they fall due within the next 12 months, the Company is intrinsically linked with its parent Company as it provides services solely to its parent, The Atlantic Monthly Group LLC. As a result, the Company has not been directly or materially impacted by COVID-19, although has reduced its cost base, but will ultimately continue to rely on its parent company for ongoing financial support. The Atlantic Monthly Group LLC has confirmed that it will continue to provide ongoing financial support by continuing to pay for the Company's services for the foreseeable future and for a period of at least 12 months from the issuance of the financial statements. However, the Group has also sustained operating losses historically and has negative retained earnings. Therefore, the above factors show that the Group itself may require additional funding and while the Group continues to receive financial support from its ultimate parent company, Emerson Collective Investments LLC, this funding has not been contractually committed.

The directors have made appropriate inquiries of the directors of The Atlantic Monthly Group LLC to gain assurance that the effects of the pandemic together with other macro-economic factors will not materially affect its ability to provide the ongoing financial support to the Company. The directors have also reviewed the credit facilities and funding available to the parent company and while the directors feel confident that it will be able to provide the support to the Company, the funding has not been contractually committed. Also due to the impact of the pandemic, The Atlantic Monthly Group LLC may itself require additional funding, which has not been secured, and therefore due to the above factors there is uncertainty. The Company also receives general and administrative services from The Atlantic Monthly Group LLC which includes human resources, accounting, information technology, general marketing, legal and contract management support.

As stated above, the Company is reliant on the financial support from The Atlantic Monthly Group LLC, to enable it to continue as a going concern, however the ability of The Atlantic Monthly Group LLC to provide this support may be affected by the above factors, along with the fact that the level of support that may be required has not been contractually committed. This indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and therefore its ability to realise its assets and discharge its liabilities in the ordinary course of business. These financial statements do not include the adjustments that would be necessary should the going concern basis of preparation no longer be appropriate.

Directors

The directors who served during the year and after the year end were:

D Bradley
P Lattman (appointed on 1 January 2022)

THE ATLANTIC MONTHLY UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Directors indemnity insurance

The parent company The Atlantic Monthly Group LLC bears the cost of Directors indemnity insurance on behalf of the Company Directors.

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.

Post balance sheet events

See note 13 for information on post balance sheet events.

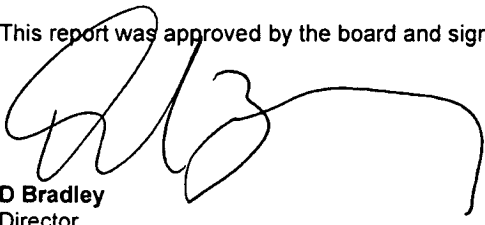
Auditor

The auditor, MHA MacIntyre Hudson, were appointed by the directors in the year and offer themselves for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

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

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


D Bradley
Director

Date: 29 November 2022

THE ATLANTIC MONTHLY UK LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and 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'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

THE ATLANTIC MONTHLY UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ATLANTIC MONTHLY UK LIMITED

Opinion

We have audited the financial statements of The Atlantic Monthly UK Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Material uncertainty related to going concern

We draw attention to note 2.2 to the financial statements which indicates that the Company is reliant on the financial support of its parent company, The Atlantic Monthly Group LLC, to enable it to continue as a going concern. The Group itself may require additional funding and while the Group continues to receive financial support from its ultimate parent company, Emerson Collective Investments LLC, this funding has not been contractually committed. Therefore, the parent company, The Atlantic Monthly Group LLC may not be able to provide the required financial support to the Company.

As stated in note 2.2, these events and conditions, along with other matters as set out in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

THE ATLANTIC MONTHLY.UK LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ATLANTIC MONTHLY UK LIMITED
(CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

THE ATLANTIC MONTHLY UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ATLANTIC MONTHLY UK LIMITED (CONTINUED)

Responsibilities of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 determines 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 has no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, and reviewing accounting estimates for bias;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditor's Report.

THE ATLANTIC MONTHLY UK LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ATLANTIC MONTHLY UK LIMITED
(CONTINUED)**

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Gandell

Andrew Gandell FCA, Senior Statutory Auditor
for and on behalf of M I A MacIntyre Hudson, Statutory Auditor
London, United Kingdom
Date: 06/12/2022

THE ATLANTIC MONTHLY UK LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Turnover		871,077	780,365
Gross profit		871,077	780,365
Administrative expenses		(792,213)	(708,174)
Other operating income	4	-	10,000
Operating profit		78,864	82,191
Taxation	7	(15,933)	(15,914)
Profit and total comprehensive income for the financial year		62,931	66,277

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020: £NIL).

The notes on pages 11 to 18 form part of these financial statements.

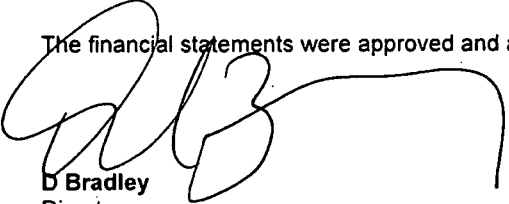
THE ATLANTIC MONTHLY UK LIMITED
REGISTERED NUMBER: 10938718

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Current assets			
Debtors: amounts falling due within one year	8	371,205	143,577
Cash at bank and in hand		73,720	89,902
		<u>444,925</u>	<u>233,479</u>
Creditors: amounts falling due within one year	9	(230,618)	(82,103)
Net current assets		<u>214,307</u>	<u>151,376</u>
Total assets less current liabilities		<u>214,307</u>	<u>151,376</u>
Net assets		<u>214,307</u>	<u>151,376</u>
Capital and reserves			
Called up share capital	10	1	1
Retained earnings		214,306	151,375
		<u>214,307</u>	<u>151,376</u>

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



D Bradley
Director

Date: 29 November 2022

The notes on pages 11 to 18 form part of these financial statements.

THE ATLANTIC MONTHLY UK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Retained earnings	Total equity
	£	£	£
At 1 January 2020	1	85,098	85,099
Comprehensive income for the year			
Profit for the year	-	66,277	66,277
Total comprehensive income for the year	-	66,277	66,277
At 1 January 2021	1	151,375	151,376
Comprehensive Income for the year			
Profit for the year	-	62,931	62,931
Total comprehensive income for the year	-	62,931	62,931
At 31 December 2021	1	214,306	214,307

The notes on pages 11 to 18 form part of these financial statements.

THE ATLANTIC MONTHLY UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

The Atlantic Monthly UK Limited is a private company limited by shares, incorporated in England and Wales under the Companies Act 2006. The registered number and address of the registered office is given on the company information page and the nature of the Company's operations and its principal activity are set out in the director's report.

The functional and presentational currency of the Company is pounds sterling (£) and figures are rounded to the nearest whole pound.

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 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 preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

THE ATLANTIC MONTHLY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.2 Going concern

The financial statements have been prepared using the going concern basis of accounting that assumes that the Company will be able to meet its financial commitments as they fall due. The robustness of the going concern assumption has been tested since the onset of the Coronavirus (COVID-19) pandemic with the directors reviewing the cash available within the business for the 12 months from the issuance of the financial statements, alongside the support provided by the parent company.

On 11 March 2020, the World Health Organization declared the outbreak of COVID 19 as a global pandemic. Whilst the directors consider that the current liquidity within the Company is adequate to meet all its financial obligations as they fall due within the next 12 months, the Company is intrinsically linked with its parent company as it provides services solely to its parent, The Atlantic Monthly Group LLC. As a result, the Company has not been directly or materially impacted by COVID-19, although has reduced its cost base, but will ultimately continue to rely on its parent company for ongoing financial support. The Atlantic Monthly Group LLC has confirmed that it will continue to provide ongoing financial support by continuing to pay for the Company's services for the foreseeable future and for a period of at least 12 months from the issuance of the financial statements. However, the Group has also sustained operating losses historically and has negative retained earnings. Therefore, the above factors show that the Group itself may require additional funding and while the Group continues to receive financial support from its ultimate parent company, Emerson Collective Investments LLC, this funding has not been contractually committed.

The directors have made appropriate inquiries of the directors of The Atlantic Monthly Group LLC to gain assurance that the effects of the pandemic together with other macro-economic factors will not materially affect its ability to provide the ongoing financial support to the Company. The directors have also reviewed the credit facilities and funding available to the parent company and while the directors feel confident that it will be able to provide the support to the Company, the funding has not been contractually committed. Also due to the impact of the pandemic, The Atlantic Monthly Group LLC may itself require additional funding, which has not been secured, and therefore due to the above factors there is uncertainty. The Company also receives general and administrative services from The Atlantic Monthly Group LLC which includes human resources, accounting, information technology, general marketing, legal and contract management support.

As stated above, the Company is reliant on the financial support from The Atlantic Monthly Group LLC, to enable it to continue as a going concern, however the ability of The Atlantic Monthly Group LLC to provide this support may be affected by the above factors, along with the fact that the level of support that may be required has not been contractually committed. This indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and therefore its ability to realise its assets and discharge its liabilities in the ordinary course of business. These financial statements do not include the adjustments that would be necessary should the going concern basis of preparation no longer be appropriate.

THE ATLANTIC MONTHLY UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational 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.

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.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover is generated from related parties and is based on a contractual agreement that sees The Atlantic Monthly UK Limited generate turnover based on the costs they have recognised, plus an appropriate mark-up percentage. This balance is then recognised as turnover and debited to the inter-company accounts. Costs for the Company are accounted for on the accruals basis.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.6 Pensions

The Company operates a defined contribution pension 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.

THE ATLANTIC MONTHLY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.7 Taxation

Tax is recognised in profit or loss 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.

2.8 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.

2.9 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.

2.10 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.

2.11 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially

THE ATLANTIC MONTHLY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.11 Financial instruments (continued)

and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

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.

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

In preparing these financial statements, the directors have had to make no material judgements and there are no key sources of estimation uncertainty.

4. Other operating income

	2021 £	2020 £
Government grant	-	10,000
	<u>-</u>	<u>10,000</u>

THE ATLANTIC MONTHLY UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Operating profit

The operating profit is stated after charging/(crediting):

	2021 £	2020 £
Exchange differences	323	(1,249)
Operating lease rentals	-	37,079
	<u> </u>	<u> </u>

6. Employees

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

	2021 No.	2020 No.
Employees	6	5
	<u> </u>	<u> </u>

7. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	15,933	15,713
Total current tax	<u>15,933</u>	<u>15,713</u>
Deferred tax		
Origination and reversal of timing differences	-	225
Effect of tax rate change on opening balance	-	(24)
Total deferred tax	<u>-</u>	<u>201</u>
Taxation on profit on ordinary activities	<u>15,933</u>	<u>15,914</u>

THE ATLANTIC MONTHLY UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>78,864</u>	<u>82,191</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	14,984	15,616
Effects of:		
Expenses not deductible for tax purposes	949	322
Remeasurement of deferred tax for changes in tax rates	-	(24)
Total tax charge for the year	<u>15,933</u>	<u>15,914</u>

Factors that may affect future tax charges

Increases in the UK Corporation tax rate from 19% to 25% (25% effective from 1 April 2023) have been substantively enacted. This will impact the Company's future tax charge accordingly.

8. Debtors

	2021 £	2020 £
Amounts owed by group undertakings	359,290	123,657
Other debtors	1,383	270
Prepayments and accrued income	10,532	19,650
	<u>371,205</u>	<u>143,577</u>

The directors are satisfied that no provision is required against amounts owed by group undertakings (2020: £nil).

THE ATLANTIC MONTHLY UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Corporation tax	19,947	15,713
Accruals and deferred income	210,671	66,390
	<u>230,618</u>	<u>82,103</u>

10. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
1 (2020 - 1) Ordinary share of £1	<u>1</u>	<u>1</u>

11. Reserves**Called up share capital**

Called up share capital represents the nominal value of the shares issued.

Retained earnings

Retained earnings represent cumulative profits or losses net of dividends paid.

12. Related party transactions

The Company has taken advantage of the exemption conferred by FRS 102 Section 33 "Related party transactions" paragraph 33.1A not to disclose transactions with group companies on the grounds that the Company is wholly owned by the parent entity.

13. Post balance sheet events

The invasion of Ukraine by Russia on 24 February 2022 has led to significant sanctions against Russia. The Company has no ongoing exposures to, or investments in, Russian related interests, and the conflict is not expected to have any direct impact on the Company at this time.

14. Parent entity and controlling party

During the financial year the Company was a wholly-owned subsidiary of The Atlantic Monthly Group LLC, a company incorporated in the United States of America. Laurene Powell Jobs is regarded as the ultimate controlling party.

The largest and smallest group in which the results of the Company is consolidated is that headed by The Atlantic Monthly Group LLC. The consolidated accounts of this Company are not made available to the public. No other group accounts include the results of the Company.