

Company registration number 05359254 (England and Wales)

**AIR LINK GROUP LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

# AIR LINK GROUP LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr S J Smith	
	Ms H E H Gilen	(Appointed 31 May 2022)
	K O N Olsen	(Appointed 31 May 2022)
	J Tveraabak	(Appointed 31 May 2022)
<b>Company number</b>	05359254	
<b>Registered office</b>	Neo Park Wharfdale Road Birmingham West Midlands B11 2DF	
<b>Auditor</b>	Ormerod Rutter Limited The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY	
<b>Bankers</b>	National Westminster Bank Plc 1 St Phillips Place Birmingham West Midlands B3 2PP	

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# AIR LINK GROUP LIMITED

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# AIR LINK GROUP LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The directors present the strategic report for the year ended 31 December 2022.

#### **Fair review of the business**

During the year the company's subsidiaries paid management charges of £164,000 (2021: £445,000).

A loss for the year was achieved due to an impairment on the investment in a subsidiary undertaking.

At the year end the company had net assets of £5,773,992 (2021: £2,919,297).

The directors are happy with the trading results and position of the company at the year end and are confident that performance and profitability will be achieved in 2023.

#### **Principal risks and uncertainties**

Competitive pressure in the retail sector is a continuing risk to the group and in order to manage this risk, the group continues to focus on the delivery of a quality service to its customers. Building strong relationships with existing customers and continuing to expand its customer base and the range of products to those customers is assisting the group in meeting the changing needs of the market place.

#### **Key performance indicators**

The directors consider profitability as the main key performance indicator of the company whilst taking into account the performance of the main trading subsidiary undertaking Air Link Systems Limited.

On behalf of the board

Mr S J Smith

**Director**

23 March 2023

# AIR LINK GROUP LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2022

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The directors present their annual report and financial statements for the year ended 31 December 2022.

#### Principal activities

The principal activity of the company continued to be that of a holding company.

The principal activity of the subsidiary undertakings is as shown in the notes to the financial statements.

#### Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £133,200. The directors do not recommend payment of a final dividend.

#### Directors

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

Mr M L Fletcher	(Resigned 31 May 2022)
Mr P K Fletcher	(Resigned 31 May 2022)
Mr S J Smith	
Mr P J Barguss	(Resigned 31 May 2022)
Mr L Higgins	(Resigned 31 May 2022)
Ms H E H Gilen	(Appointed 31 May 2022)
K O N Olsen	(Appointed 31 May 2022)
J Tveraabak	(Appointed 31 May 2022)

#### Financial risk management

##### *Liquidity risk*

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

##### *Credit risk*

Investments of cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

##### *Business risk*

The company's business may be affected by fluctuations in the price of and supply of key products although purchasing practices seek to mitigate this exposure.

#### Future developments

There are no significant anticipated future changes to the operations of the company.

#### Auditor

The auditors, Ormerod Rutter Limited, will be proposed for re-appointment in accordance with Section 487(2) of the Companies Act 2006.

# AIR LINK GROUP LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### Statement of directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr S J Smith  
**Director**

23 March 2023

# AIR LINK GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF AIR LINK GROUP LIMITED

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#### Opinion

We have audited the financial statements of Air Link Group Limited (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### Other information

The 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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

# AIR LINK GROUP LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF AIR LINK GROUP LIMITED

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#### 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 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

#### Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of industry;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or operations of the company and 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 the 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 instances of non-compliance throughout the audit.



## **AIR LINK GROUP LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF AIR LINK GROUP LIMITED**

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We assessed the susceptibility of the company'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; and
- considering internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the company's remuneration policies.

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

- performed analytical procedures to identify any unusual transactions or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

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

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.

**Peter Ormerod FCA (Senior Statutory Auditor)**  
**For and on behalf of Ormerod Rutter Limited**

23 March 2023

**Chartered Accountants**  
**Statutory Auditor**

The Oakley  
Kidderminster Road  
Droitwich  
Worcestershire  
WR9 9AY

# AIR LINK GROUP LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
<b>Turnover</b>	<b>3</b>	164,000	445,000
Administrative expenses		(161,739)	(390,916)
<b>Operating profit</b>	<b>4</b>	2,261	54,084
Interest receivable and similar income	<b>7</b>	647,999	828,000
Interest payable and similar expenses	<b>8</b>	(32,788)	-
Amounts written off investments	<b>9</b>	(880,745)	-
<b>(Loss)/profit before taxation</b>		(263,273)	882,084
Tax on (loss)/profit	<b>10</b>	(432)	(10,276)
<b>(Loss)/profit for the financial year</b>		(263,705)	871,808

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# AIR LINK GROUP LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022	2021
	Notes	£	£
<b>Fixed assets</b>			
Investments	13	8,633,650	6,260,674
<b>Current assets</b>			
Debtors	15	-	2,670
Cash at bank and in hand		1,011	1,095
		<u>1,011</u>	<u>3,765</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>(2,860,669)</u>	<u>(3,345,142)</u>
<b>Net current liabilities</b>		<u>(2,859,658)</u>	<u>(3,341,377)</u>
<b>Net assets</b>		<u>5,773,992</u>	<u>2,919,297</u>
<b>Capital and reserves</b>			
Called up share capital	18	570	404
Other reserves		3,251,600	-
Profit and loss reserves	20	<u>2,521,822</u>	<u>2,918,893</u>
<b>Total equity</b>		<u>5,773,992</u>	<u>2,919,297</u>

The financial statements were approved by the board of directors and authorised for issue on 23 March 2023 and are signed on its behalf by:

Mr S J Smith  
Director

Company Registration No. 05359254

# AIR LINK GROUP LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

		Share capital	Other reserves	Profit and loss reserves	Total
	Notes	£	£	£	£
<b>Balance at 1 January 2021</b>		404	-	2,847,085	2,847,489
<b>Year ended 31 December 2021:</b>					
Profit and total comprehensive income for the year		-	-	871,808	871,808
Dividends	11	-	-	(800,000)	(800,000)
<b>Balance at 31 December 2021</b>		404	-	2,918,893	2,919,297
<b>Year ended 31 December 2022:</b>					
Loss and total comprehensive income for the year		-	-	(263,705)	(263,705)
Bonus issue of shares	18	166	-	(166)	-
Dividends	11	-	-	(133,200)	(133,200)
Transfers		-	3,251,600	-	3,251,600
<b>Balance at 31 December 2022</b>		570	3,251,600	2,521,822	5,773,992

# AIR LINK GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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### **1 Accounting policies**

#### **Company information**

Air Link Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Neo Park, Wharfedale Road, Birmingham, West Midlands, England, B11 2DF.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of 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 financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Air Link Group Limited is a wholly owned subsidiary of StrongPoint ASA and the results of Air Link Group Limited are included in the consolidated financial statements of Strongpoint ASA which are available from Slynga 10, 2005 Raelingen, Norway.

The financial statements are the individual financial statements of the parent company only.

#### **1.2 Going concern**

These financial statements have been drawn up on the going concern basis. If the going concern basis were not appropriate, adjustments would have been made to reduce assets to recoverable amounts, to provide for any further liabilities that might arise, and to re-classify fixed assets as current assets and long term liabilities as current liabilities.

#### **1.3 Turnover**

Turnover represents management charges in respect of services provided to group entities. Turnover is recognised net of VAT at the point when the service has been provided.

# AIR LINK GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.4 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.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 Financial instruments

The company 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 company's balance sheet when the company 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.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

# AIR LINK GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***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.

##### ***Other financial liabilities***

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# AIR LINK GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

(Continued)

#### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

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

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.9 Employee benefits

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

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company'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.

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.



# AIR LINK GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 3 Turnover and other revenue

All of the company's turnover is derived from group management charges.

	2022	2021
	£	£
<b>Turnover analysed by class of business</b>		
Group management charges	164,000	445,000

	2022	2021
	£	£
<b>Other revenue</b>		
Interest income	32,799	-
Dividends received	615,200	828,000

### 4 Operating profit

Operating profit for the year is stated after charging:

	2022	2021
	£	£
Fees payable to the company's auditor for the audit of the company's financial statements	5,500	12,200

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Directors	2	6

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	135,400	330,586
Social security costs	16,704	38,992
Pension costs	1,651	4,505
	153,755	374,083

# AIR LINK GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 6 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	135,400	330,586
Company pension contributions to defined contribution schemes	1,651	4,505
	<u>137,051</u>	<u>335,091</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2021 - 4).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	n/a	100,000
Company pension contributions to defined contribution schemes	n/a	1,319
	<u></u>	<u></u>

### 7 Interest receivable and similar income

	2022 £	2021 £
<b>Interest income</b>		
Interest on bank deposits	11	-
Interest receivable from group companies	32,788	-
	<u>32,799</u>	<u>-</u>
<b>Total interest revenue</b>		
	32,799	-
<b>Income from fixed asset investments</b>		
Income from shares in group undertakings	615,200	828,000
	<u>647,999</u>	<u>828,000</u>
<b>Total income</b>		
	<u>647,999</u>	<u>828,000</u>

### 8 Interest payable and similar expenses

	2022 £	2021 £
Interest payable to group undertakings	32,788	-
	<u>32,788</u>	<u>-</u>

### 9 Amounts written off investments

	2022 £	2021 £
Amounts written off investments	(880,745)	-
	<u>(880,745)</u>	<u>-</u>

# AIR LINK GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 10 Taxation

	2022 £	2021 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	432	10,276
	<u>432</u>	<u>10,276</u>

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
(Loss)/profit before taxation	(263,273)	882,084
	<u>(263,273)</u>	<u>882,084</u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(50,022)	167,596
Tax effect of expenses that are not deductible in determining taxable profit	167,342	-
Tax effect of income not taxable in determining taxable profit	(116,888)	(157,320)
	<u>432</u>	<u>10,276</u>
Taxation charge for the year	<u>432</u>	<u>10,276</u>

### 11 Dividends

	2022 £	2021 £
Interim paid	133,200	800,000
	<u>133,200</u>	<u>800,000</u>

### 12 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2022 £	2021 £
In respect of:			
Fixed asset investments	13	880,745	-
		<u>880,745</u>	<u>-</u>
Recognised in:			
Amounts written off investments		880,745	-
		<u>880,745</u>	<u>-</u>

The impairment losses in respect of financial assets are recognised in other gains and losses in the profit and loss account.

# AIR LINK GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 13 Fixed asset investments

	Notes	2022 £	2021 £
Investments in subsidiaries	14	8,633,650	6,228,029
Unlisted investments		-	32,645
		<u>8,633,650</u>	<u>6,260,674</u>

### Movements in fixed asset investments

	Shares in subsidiaries £	Other investments £	Total £
<b>Cost or valuation</b>			
At 1 January 2022	6,228,029	32,645	6,260,674
Additions	3,253,750	-	3,253,750
Disposals	(29)	-	(29)
At 31 December 2022	<u>9,481,750</u>	<u>32,645</u>	<u>9,514,395</u>
<b>Impairment</b>			
At 1 January 2022	-	-	-
Impairment losses	848,100	32,645	880,745
At 31 December 2022	<u>848,100</u>	<u>32,645</u>	<u>880,745</u>
<b>Carrying amount</b>			
At 31 December 2022	<u>8,633,650</u>	<u>-</u>	<u>8,633,650</u>
At 31 December 2021	<u>6,228,029</u>	<u>32,645</u>	<u>6,260,674</u>

The investments in subsidiary undertaking in Air Link Services Limited and the unlisted investment in Flex Cash AS have been fully impaired in the year.

# AIR LINK GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 14 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Air Link Services Limited	England	Maintenance and servicing of retail systems	Ordinary A	100.00
Air Link Systems Limited	England	Supply and installation of retail systems	Ordinary A	100.00
ALS Retail Services Limited	Ireland	Supply and installation of retail systems	Ordinary A	100.00

The registered office's of all subsidiaries is the same as that of the the company apart from ALS Retail Services Limited where the registered office is at Block 607A, Jordanstown Road, Greenogue Business Park, Rathcoole Co Dublin, Rathcoole, Dublin, Ireland.

The single non-voting ordinary B share of Air Link Services Limited is owned by Air Link Systems Limited.

### 15 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Amounts owed by undertakings in which the company has a participating interest	-	2,670
	<u>          </u>	<u>          </u>

### 16 Creditors: amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	2,853,237	3,315,640
Corporation tax	432	10,276
Other creditors	-	12,226
Accruals and deferred income	7,000	7,000
	<u>          </u>	<u>          </u>
	<u>2,860,669</u>	<u>3,345,142</u>

Air Link Group Limited had an asset debenture charge with a full title guarantee charges to Lloyds TSB Commercial Finance Limited in respect of all property and assets present and any owned in the future by Air Link Group Limited. This debenture charge was satisfied in full on 7 July 2022.

### 17 Retirement benefit schemes

	2022 £	2021 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	1,651	4,505
	<u>          </u>	<u>          </u>

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 independently administered fund.

## AIR LINK GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

#### 18 Share capital

	2022 Number	2021 Number	2022 £	2021 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary A of £1 each	570	400	570	400
Ordinary B of £1 each	-	1	-	1
Ordinary C of £1 each	-	1	-	1
Ordinary D of £1 each	-	1	-	1
Ordinary E of £1 each	-	1	-	1
	<u>570</u>	<u>404</u>	<u>570</u>	<u>404</u>

During the year the company issued an additional 166 £1 ordinary A shares at par value.

The ordinary B, C, D and E shares were all converted to ordinary A shares on 31 May 2022.

Ordinary A shares carry voting rights but carry no right to fixed income. Ordinary A shareholdings have the rights to participate in the distribution of profits. Any dividends proposed shall be distributed amongst the holders of the ordinary A shares in proportion to their holding in ordinary A shares. Those who held B,C,D and E ordinary share do not have the right to participate in the distribution of profits.

All other classes of share do not carry voting rights nor do they carry rights to fixed income.

#### 19 Capital contribution reserve

As part of the acquisition of Air Link Group by Strongpoint ASA on 1 June 2022 the company received a capital contribution of £3,251,600 in order for the company to repay debts owed to the vendor. This is considered to be a shareholder contribution and not a loan. Accordingly it is not considered to be payable and forms part of the equity of the company.

#### 20 Profit and loss reserves

This represents the accumulated realised earnings from the prior and current periods as reduced by losses and dividends from time to time.

# AIR LINK GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 21 Related party transactions

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	<b>Management charges receivable</b>	
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Entities over which the entity has control	164,000	445,000

The following amounts were outstanding at the reporting end date:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts due to related parties</b>		
Entities over which the entity has control	2,853,237	3,315,640
Other related parties	-	9,658

The following amounts were outstanding at the reporting end date:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts due from related parties</b>		
Other related parties	-	2,670

### 22 Ultimate controlling party

The ultimate parent company is StrongPoint ASA, a company registered in Norway.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.