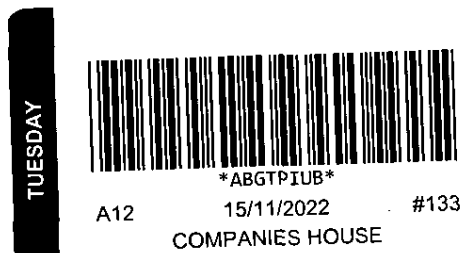


Company Registration No. 06501796 (England and Wales)

Brightlime Limited

Annual Report and Financial Statements

For the Year Ended 31 December 2021



Brightlime Limited

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Brightlime Limited

Company Information

Directors S Maud (Appointed 25 March 2021)
E Hamilton (Resigned 4 July 2022)
N Best (Appointed 9 August 2022)
P Joseph (Appointed 1 October 2022)

Company number 06501796

Registered Office 1st Floor
Central Square
South, Orchard Street
Newcastle Upon Tyne
United Kingdom
NE1 3AZ

Brightlime Limited

Directors' Report for the year ended 31 December 2021

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

Principal activities

The Company's principal activity was that of the provision and service of leisure management software. In December 2020 the trade and assets of the company was sold to a fellow group subsidiary. Subsequently, the company ceased to trade.

The Company has taken advantage of the exemptions set out in Section 414(b) of the Companies Act 2006 which permit it to not prepare a Strategic Report, on the grounds that it qualifies as a small Company.

The Company has taken advantage of the exemptions set out in Section 414(c) of the Companies Act 2006 which permit it to prepare a Directors' Report in accordance with the small companies' regime, on the grounds that it qualifies as a small Company.

Directors

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

S Maud (Appointed 25 March 2021)
C Sunner (Appointed 25 March 2021-Resigned 22 September 2021)
K Guy (Resigned 25 March 2021)
D Miller (Resigned 25 March 2021)
E Hamilton (Resigned 4 July 2022)
N Best (Appointed 9 August 2022)
P Joseph (Appointed 1 October 2022)

Results and dividends

During the year the company issued 1 ordinary share of £1 to Club Machine Holdings Limited and implemented a capital reduction of £(100) ordinary shares. Subsequently a dividend of £500,000 was paid to Club Machine Holdings Limited (31 December 2020 - £nil).

The results for the year are set out on pages 6 to 21.

Going concern

The directors have considered all factors, including in the wider economy, as part of their assessment of going concern. Although the current economic climate of the Covid-19 pandemic creates risks for the company, the directors believe on balance and in light of the company now being dormant, it will continue to be a going concern for a period of at least one year from the date of approval of the financial statements, on the basis of information currently available to them as at the point of approval. Accordingly, these financial statements have been prepared on the going concern basis.

Brightlime Limited

Directors' Report for the year ended 31 December 2021

BIS audit exemption

Advantage has been taken of the audit exemption available for subsidiary companies conferred by section 479A of the Companies Act 2006 *on the grounds*

- that for the year ended 31 December 2021 the company was entitled to the exemption from a statutory audit under section 479A of the Companies Act 2006 relating to subsidiary companies, and
- that no notice has been deposited under section 476 of the Companies Act 2006 in relation to the financial statements for the financial year.

The directors acknowledge their responsibilities for

- ensure that the Company keeps adequate accounting records which comply with section 366 of the Companies Act 2006, and
- preparing the financial statements which give a true and fair view of the state of the affairs of the company at 31 December 2021 and of its profit and loss for the year then ended in accordance with the requirement of section 394 of the Companies Act 2006, and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company.

On behalf of the board



S Maud

Director
8th November 2022

Brightlime Limited

Directors' Responsibilities Statement

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 FRS 101. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- *make judgements and 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.

Brightlime Limited

Statement of Comprehensive Income For the Year Ended 31 December 2021

	Notes	Year ended 31 Dec 2021 £	Period ended 31 December 2020 £
Revenue	4	-	311,331
Cost of sales		-	(42,494)
Gross profit			268,837
Administrative expenses		-	(198,026)
Operating profit	5	-	70,811
Finance income	7	-	17
Exceptional income	8	-	64,674
Profit before taxation			135,502
Taxation	9	-	1,778
Profit of the financial period		-	137,280
Other comprehensive income for the period net of tax		-	-
Total comprehensive income for the period		-	137,280

Brightlime Limited

Statement of Financial Position As at 31 December 2021

	Notes	31 Dec 2021 £	31 Dec 2020 £
Current assets			
Trade and other receivables	11	1	550,000
		1	550,000
Total assets		1	550,000
Current liabilities			
Trade and other payables		-	-
Non-current liabilities			
Deferred tax liabilities		-	-
Total liabilities		-	-
Net assets		1	550,000
Equity			
Share capital	13	1	100
Retained earnings		-	549,900
Total equity		1	550,000

The notes on pages 9 to 21 are an integral part of these financial statements.

For the year ending 31 December 2021 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its accounts for the period in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the board of directors and authorised for issue on 8th November 2022 and are signed on its behalf by:



S Maud

Director
Company Registration No. 06501796

Brightlime Limited

Statement of Changes in Equity For the Year Ended 31 December 2021

	Notes	Share capital	Retained earnings	Total
		£	£	£
Balance at 1 April 2020		100	412,620	412,720
Profit and total income for the period			137,280	137,280
Dividends	10	-		
		100	549,900	550,000
Balance at 31 December 2020				
Share issue		1		1
Capital reduction		(100)	100	-
Profit and total income for the year			-	-
Dividends	10	-	(550,000)	(550,000)
Balance at 31 December 2021		1	-	1

Brightlime Limited

Notes to the Financial Statements For the Year Ended 31 December 2021

1. Accounting policies

Company information

Brightlime Limited ("the Company") is a limited company domiciled and incorporated in England and Wales. The registered office is 1st Floor Central Square South, Orchard Street, Newcastle Upon Tyne, United Kingdom, NE1 3AZ.

1.1 Accounting convention

These financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and the requirements of the Companies Act 2006.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS 7 'Financial Instruments: Disclosure', on the grounds that equivalent disclosures for financial instruments are presented in the group accounts of AI Sky UK Holdco Limited;
- (b) the requirements of IAS 7 'Statement of Cash Flows' to present a statement of cash flows;
- (c) the requirements of IAS 24 'Related Party Disclosures' to disclose related party transactions and balances between two or more members of a group;
- (d) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1;
 - (ii) paragraph 73(e) of IAS 16 'Property, Plant and Equipment'; and
 - (iii) paragraph 118(e) of IAS 38 'Intangible Assets'.
- (e) the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 'Presentation of Financial Statements';
- (f) the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127, and 129 of IFRS 15 'Revenue from Contracts with Customers'; and
- (g) the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 'Impairment of Assets'.

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 £1.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

1.2 Reporting period

These financial statements have been prepared for the 12 months to 31 December 2021 whilst the comparative financial information covers a period of 9 months. Therefore, the comparative figures are not wholly comparable to the new period.

1.3 Going concern

The directors have considered all factors, including in the wider economy, as part of their assessment of going concern. Although the current economic climate of the Covid-19 pandemic creates risks for the company, the directors believe on balance and in light of the company now being dormant, it will continue to be a going concern for a period of at least one year from the date of approval of the financial statements, on the basis of information currently available to them as at the point of approval. Accordingly, these financial statements have been prepared on the going concern basis.

Brightlime Limited

Notes to the Financial Statements For the Year Ended 31 December 2021

1. Accounting policies (continued)

1.4 Revenue

Under IFRS 15, the Company applies the 5-step method to identify contracts with its customers, determine performance obligations arising under those contracts, set an expected transaction price, allocate that price to the performance obligations, and then recognises revenues as and when those obligations are satisfied.

The company has reviewed its contracts with customers and the performance obligations within those contracts and has concluded that no change is required to previously reported revenue.

Software licences

Recurring software licences, billed monthly in advance, revenue deferred into correct month.

Software development

Revenue from software development contracts is recognised once the project has been completed and delivered to the client

Hardware sales

Revenue is recognised when the risks and rewards of ownership have been transferred to the customer.

Implementation services

Engineer charge for delivery of implementation of system - onsite training, data migration - billed and recognised on go live of service.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.6 Intangible fixed assets other than goodwill

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

The depreciable amount of an intangible asset with a finite useful life is allocated on a systematic basis over its useful life. Amortisation begins when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The amortisation period and the amortisation method for intangible assets with a finite useful life is reviewed each financial period-end.

If the expected useful life of the asset is different from previous estimates, the amortisation period is changed accordingly. Useful lives are typically amortised on the following basis:

Internally developed software	20% straight line
Patents, trademarks and licences	25% straight line

Amortisation is charged to administrative expenses in the Statement of Comprehensive Income.

Brightlime Limited

Notes to the Financial Statements For the Year Ended 31 December 2021

1. Accounting policies (continued)

1.7 Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently measured at cost or valuation net of depreciation and impairment losses.

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

Computer equipment	33.33% straight line
--------------------	----------------------

Gains or losses arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.8 Impairment of non current assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount in which case the reversal of the impairment loss is treated as a revaluation increase.

Brightlime Limited

Notes to the Financial Statements For the Year Ended 31 December 2021

1. Accounting policies (continued)

1.9 Cash and cash equivalents

Cash and cash equivalents 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.

1.10 Financial instruments

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (e.g. trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

Brightlime Limited

Notes to the Financial Statements For the Year Ended 31 December 2021

1. Accounting policies (continued)

The company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognised initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

Impairment of financial assets

Financial assets, other than those measured at fair value through profit or 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 of the investment have been affected.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity

1.11 Financial Liabilities

The company recognizes financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Financial liabilities at fair value through profit or loss

Financial liabilities are classified as measured at fair value through profit or loss when the financial liability is held for trading. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of selling or repurchasing it in the near term, or
- on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit taking, or
- it is a derivative that is not a financial guarantee contract or a designated and effective hedging instrument.

Financial liabilities at fair value through profit or loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Brightlime Limited

Notes to the Financial Statements For the Year Ended 31 December 2021

1. Accounting policies (continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.12 Equity instruments

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

1.13 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 period. Taxable profit differs from net profit as reported in the income statement 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 is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary 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 income statement, 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.

1.14 Employee benefits

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

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

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

Brightlime Limited

Notes to the Financial Statements For the Year Ended 31 December 2021

1. Accounting policies (continued)

1.15 Retirement benefits

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

1.16 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 are included in the income statement for the period.

1.17 Standards, amendments and interpretations in issue but not yet adopted

The adoption of the following mentioned standards, amendments and interpretations in future years:

	<i>EU effective date ~period beginning on or after</i>
Amendments to IFRS 16 COVID-19 related rent concessions	1 June 2020
Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	1 January 2021
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)	1 January 2022
COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)	1 Apr 2021
Annual Improvements to IFRS Standards 2018-2020	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022
Reference to the Conceptual Framework (Amendments to IFRS 3)	1 January 2022
IFRS 17 Insurance Contracts	1 January 2023
Classification of liabilities as current or non-current (Amendments to IAS 1)	1 January 2023
Amendments to IFRS 17	1 January 2023
Disclosure of Accounting Policy (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023
Definition of Accounting Estimate (Amendments to IAS 8)	1 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Optional

The directors do not expect any future standards to have a material impact on the Company's reported profits or on the overall financial position.

Brightlime Limited

Notes to the Financial Statements For the Year Ended 31 December 2021

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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Valuation of research and development assets (31 Dec 2021: £nil; 31 December 2020: £nil)

Management judgement is required to estimate the useful lives of intangible assets, having reference to future economic benefits expected to be derived from use of the asset. Economic benefits are based on the fair values of estimated future cash flows. See note 11.

3 Discontinued operations

On 1 December 2020, the trade and assets of Brightlime Limited were sold to a fellow group company, Debit Finance Collections plc for a total consideration of £550,000. As such a profit on disposal has arisen amounting to £5,110. There has been no trading activity since the disposal.

Brightlime Limited

Notes to the Financial Statements For the Year Ended 31 December 2021

4. Revenue

During the year the Company was not trading and therefore had no customers, for the year 31 December 2021. During the period 31 December 2020 there was 1 customer with turnover comprising between 10% and 20% of Company revenue and 1 customer with turnover comprising between 21% and 50% of Company revenue. In each case there was a contract in place for the services provided.

Segmental analysis of revenue

	Dec 2021 £	Dec 2020 £
Software licences	-	263,531
Hardware	-	22,651
Implementation services	-	17,779
Other	-	7,370
	-	311,331

Revenue analysed by geographical market

	Dec 2021 £	Dec 2020 £
United Kingdom	-	310,989
Europe	-	342
	-	311,331

5. Operating costs

	Dec 2021 £	Dec 2020 £
Operating loss for the period is stated after charging:		
Exchange losses	-	10
Depreciation of property, plant and equipment	-	963
Amortisation of intangible assets	-	97,711

6. Employees

The average monthly number of persons (including Directors) employed by the Company during the period was:

	Dec 2021 Number	Dec 2020 Number
Directors	-	3
Software	-	9
	-	12

Brightlime Limited

Notes to the Financial Statements For the Year Ended 31 December 2021

6. Employees (continued)

Their aggregate remuneration comprised:

	Dec 2021	Dec 2020
	£	£
Wages and salaries	-	188,405
Social security costs	-	18,565
Pension costs	-	15,617
	-	222,587

Details of Directors' remuneration is provided in note 15.

There is no cost for employee remuneration for the year 31 December 2021. In the period ended 31 December 2020 the total cost of employee remuneration includes £148,025 of costs which were on development projects and were capitalised as an intangible asset.

7. Finance income

	Dec 2021	Dec 2020
	£	£
Interest income		
Bank interest receivable	-	17
Total income	-	17

8. Exceptional income

	Dec 2021	Dec 2020
	£	£
Profit on the disposal of trade and assets	-	64,674
	-	64,674

9. Taxation

	Dec 2021	Dec 2020
	£	£
Current tax		
UK Corporation tax on profits for the current period	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of temporary differences	-	252
Adjustment in respect to previous periods	-	(2,030)
Total deferred tax	-	(1,778)
Total tax charge/ (credit)	-	(1,778)

Brightlime Limited

Notes to the Financial Statements For the Year Ended 31 December 2021

9. Taxation (continued)

The charge for the period can be reconciled to the profit per the Consolidated Statement of Comprehensive Income as follows:

	Dec 2021 £	Dec 2020 £
Profit before taxation	-	135,502
Expected tax charge based on a corporation tax rate of 19% (2020 – 19%)	-	25,745
Adjustment in respect of prior periods	-	(2,030)
Research and development tax credits	-	-
Group relief	-	(29,717)
Amortisation on assets not qualifying for tax allowances	-	16,512
Income not taxable	-	(12,288)
Total tax charge	-	(1,778)

10. Dividends

During the year Brightlime Ltd paid a dividend of £550,000 to Club Machine Holding Limited (31 December 2020 £nil).

Brightlime Limited

Notes to the Financial Statements For the Year Ended 31 December 2021

11. Trade and other receivables

	Dec 2021	Dec 2020
	£	£
Amounts falling due within one year:		
Amounts owed by related parties	-	550,000
	-	550,000

Trade receivables in prior year are shown above net of provisions. Expected credit losses for the following 12 months have been estimated in accordance with IFRS 9, taking into account that there has been no significant increase in credit risk. Given the straightforward nature of the Company's receivables, the directors consider that the Company qualifies for Stage 1 impairment models which permit the simplified recognition of credit losses arising from default events that are possible within the next 12 months only.

Trade receivables are stated net of impairment for estimated irrecoverable amounts of £nil (2020 - £nil). This impairment has been determined by reference to past default experience and known issues. Write offs are made when the irrecoverable amount becomes certain. The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

Included within other receivables and prepayments is an amount of £nil (2020 - £630) relating to accrued revenues, calculated in accordance with IFRS 15.

Movement on the allowance for irrecoverable amounts on trade receivables are as follows:

	Dec 2021	Dec 2020
	£	£
Provision for bad receivables	-	2,752
Released during the period	-	(2,752)
End of the period	-	-

12. Retirement benefit schemes

	Dec 2021	Dec 2020
	£	£
Charge to profit and loss in respect of defined contribution schemes	-	15,617

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. At the period end there is a pension creditor of £nil (31 December 2020 - £nil).

Brightlime Limited

Notes to the Financial Statements For the Year Ended 31 December 2021

13. Share capital

Ordinary share capital

Authorised, allotted and fully paid

	No.	£
At 1 January 2020	100	100
At 31 December 2020	100	100
At 1 January 2021	100	100
Share Issue	1	1
Capital reduction	(100)	(100)
At 31 December 2021	1	1

Ordinary shares of £1 each

The class of shares carry one vote per share.

Reserves of the company represent the following:

Share Capital - Shares in the company held by shareholders at a proportional level with equal voting rights per share.

Retained earnings - This comprises the accumulated trading results of the Company.

14. Guarantees and contingent liabilities

At 31 December 2021, the Company had no contingent liabilities (31 December 2020 - none).

15. Directors' remuneration and transactions

	Dec 2021 £	Dec 2020 £
Remuneration for qualifying services	-	3,034
	-	3,034

The number of Directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (31 December 2020 - 0).

16. Ultimate controlling party

The Company's ultimate parent company is AI Sky UK (Cayman) Limited, a Cayman incorporated company, which is owned by various investment funds managed by Advent International Corporation. The ultimate controlling party is Advent International Corporation, an SEC Registered investment adviser.

The company's intermediate parent company is AI Sky UK Holdco Limited which is the largest and smallest undertaking that consolidates these financial statements. The Company's immediate parent undertaking is Club Machine Holdings Limited.

Copies of AI Sky UK Holdco Limited consolidated financial statements can be obtained from the Company Secretary at 1st Floor Central Square South Orchard Street Newcastle upon Tyne NE1 3AZ.