

**BRIGHTLOCAL LTD  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

Ten Forward Accounting Ltd

Chartered Certified Accountants

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London  
N20 0LD

**Brightlocal Ltd**  
**Unaudited Financial Statements**  
**For The Year Ended 31 December 2021**

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**Brightlocal Ltd**  
**Balance Sheet**  
**As at 31 December 2021**

Registered number: 10384626

	Notes	2021		2020	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	4		9,874		4,699
			<u>9,874</u>		<u>4,699</u>
<b>CURRENT ASSETS</b>					
Debtors	5	547,815		445,828	
Cash at bank and in hand		2,921,336		2,652,725	
		<u>3,469,151</u>		<u>3,098,553</u>	
<b>Creditors: Amounts Falling Due Within One Year</b>	6		<u>(1,976,295 )</u>		<u>(2,312,294 )</u>
<b>NET CURRENT ASSETS (LIABILITIES)</b>			<u>1,492,856</u>		<u>786,259</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,502,730</u>		<u>790,958</u>
<b>NET ASSETS</b>			<u>1,502,730</u>		<u>790,958</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	7		1		1
Profit and Loss Account			<u>1,502,729</u>		<u>790,957</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>1,502,730</u>		<u>790,958</u>

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

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Mr Myles Anderson

Director

7 September 2022

The notes on pages 2 to 5 form part of these financial statements.

**Brightlocal Ltd**  
**Notes to the Financial Statements**  
**For The Year Ended 31 December 2021**

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**1. Accounting Policies**

**1.1. Basis of Preparation of Financial Statements**

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

**1.2. Turnover**

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

**Sale of goods**

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

**Rendering of services**

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

**1.3. Research and Development**

Expenditure on research and development is now capitalised and amortised over three years.

**1.4. Tangible Fixed Assets and Depreciation**

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	33.3% Straight line Basis
Fixtures & Fittings	33.3% Straight line Basis
Computer Equipment	50% Straight Line Basis

The directors took the decision to write off the office computer equipment over two years as this is a more realistic basis. The company policy is to replace and not repair computer equipment.

The directors took the decision to write off all computer equipment issued to the technicians in the year of purchase as their realistic expected life is 12 months due to heavy usage. Again, the company policy is to replace and not repair computer equipment.

**1.5. Financial Instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

**1.6. Foreign Currencies**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**1.7. Taxation**

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and 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 end of the reporting period.

**1.8. Registrar Filing Requirements**

The company has taken advantage of Companies Act 2006 section 444(1) and opted not to file the profit and loss account, directors report, and notes to the financial statements relating to the profit and loss account. The notes which are not included have been hidden but original note numbering has remained the same for those that are present.

**Brightlocal Ltd**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 December 2021**

**2. Average Number of Employees**

Average number of employees, including directors, during the year was: 41 (2020: 31)

**3. Intangible Assets**

	<b>Development Costs</b> £
<b>Cost</b>	
As at 1 January 2021	320,218
As at 31 December 2021	320,218
<b>Amortisation</b>	
As at 1 January 2021	320,218
As at 31 December 2021	320,218
<b>Net Book Value</b>	
As at 31 December 2021	-
As at 1 January 2021	-

**4. Tangible Assets**

	<b>Plant &amp; Machinery</b> £	<b>Fixtures &amp; Fittings</b> £	<b>Computer Equipment</b> £	<b>Total</b> £
<b>Cost</b>				
As at 1 January 2021	29,434	104,792	38,960	173,186
Additions	-	-	19,389	19,389
As at 31 December 2021	29,434	104,792	58,349	192,575
<b>Depreciation</b>				
As at 1 January 2021	29,434	104,792	34,261	168,487
Provided during the period	-	-	14,214	14,214
As at 31 December 2021	29,434	104,792	48,475	182,701
<b>Net Book Value</b>				
As at 31 December 2021	-	-	9,874	9,874
As at 1 January 2021	-	-	4,699	4,699

**5. Debtors**

	<b>2021</b> £	<b>2020</b> £
<b>Due within one year</b>		
Trade debtors	57,810	39,676
Prepayments and accrued income	97,624	65,515
Other debtors	186	468
VAT	20,601	4,529
Directors' loan accounts	35,954	-
Amounts owed by group undertakings	335,640	335,640
	547,815	445,828

**Brightlocal Ltd**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 December 2021**

**6. Creditors: Amounts Falling Due Within One Year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	107,267	79,509
Corporation tax	124,768	169,116
Other taxes and social security	45,492	34,904
Other creditors	6,360	5,147
Accruals and deferred income	231,552	40,500
Directors' loan accounts	209,596	296,949
Amounts owed to group undertakings	1,251,260	1,686,169
	<u>1,976,295</u>	<u>2,312,294</u>

**7. Share Capital**

		<b>2021</b>	<b>2020</b>
Allotted, Called up and fully paid		<u>1</u>	<u>1</u>
	<b>Value</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>			
Ordinary A shares	1,000	<u>1</u>	<u>1</u>

During the year the company purchased its Ordinary E share at nominal value and then cancelled the issued share.

**8. Other Commitments**

The total of future minimum lease payments under non-cancellable operating leases are as following:

	<b>Land and buildings</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Within 1 year	71,075	71,075
Between 1 and 5 years	284,300	284,300
After 5 years	162,630	248,763
	<u>518,005</u>	<u>604,138</u>

**9. Directors Advances, Credits and Guarantees**

Included within creditors and debtors are the following loans from/to the directors:

	<b>As at 1 January 2021</b>	<b>Amounts advanced</b>	<b>Amounts repaid</b>	<b>Amounts written off</b>	<b>As at 31 December 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Mr Myles Anderson	(227,638 )	(293,364 )	311,406	-	209,596
Mr Edward Eliot	(69,311 )	105,265	-	-	(35,954 )

The above loan from the director is interest free and repayable on demand.

The above loan to the director was fully repaid on 7 September 2022.

**Brightlocal Ltd**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 December 2021**

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10. **Dividends**

	2021	2020
	£	£
<b>On equity shares:</b>		
Final dividend paid	976,541	601,639
	976,541	601,639
	976,541	601,639

11. **Related Party Transactions**

**Bright Little Light Ltd**

Bright Little Light Ltd is controlled by BrightLocal Services Ltd.

During the year BrightLocal Ltd took over the directors' loans in Bright Little Light Ltd of £293,363 (2020: £Nil). It also paid corporation tax for Bright Little Light Ltd of £141,546 (2020: £Nil). At year end the company owed Bright Little Light Ltd £1,251,261 (2020: £1,686,170)

**BrightLocal Services Ltd**

The company is controlled by BrightLocal Services Ltd

During the year the company paid a dividend to BrightLocal Services Ltd of £976,541 (2020: £601,639). At year end BrightLocal Services Ltd owed the company £335,640 (2020: £335,640)

12. **Parent Undertaking and Controlling Party**

The company's immediate and ultimate parent undertaking is BrightLocal Services Ltd . BrightLocal Services Ltd was incorporated in the United Kingdom. The controlling party is Mr Myles Anderson who controls 70.3% of the shares of BrightLocal Services Ltd. .

13. **General Information**

Brightlocal Ltd is a private company, limited by shares, incorporated in England & Wales, registered number 10384626 . The registered office is 2nd Floor, Blenheim House, 120 Church Street, Brighton, East Sussex, BN1 1UD.

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.