

Registered number: 10934812

**POSITRON TECHNOLOGIES LTD**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

THURSDAY



\*ACA3XMU0\*

A16

17/08/2023

#55

COMPANIES HOUSE

**POSITRON TECHNOLOGIES LTD**  
**REGISTERED NUMBER: 10934812**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

|  | Note | 2022<br>£               | 2021<br>£               |
|--|------|-------------------------|-------------------------|
| <b>Fixed assets</b>                            |      |                         |                         |
| Intangible assets                              | 3    | 1,234                   | 1,882                   |
| Tangible assets                                | 4    | 15,978                  | 12,064                  |
| Investments                                    | 5    | 1,517,252               | 568,917                 |
|  |      | <u>1,534,464</u>        | <u>582,863</u>          |
| <b>Current assets</b>                          |      |                         |                         |
| Debtors: amounts falling due within one year   | 6    | 323,559                 | 129,065                 |
| Cash at bank and in hand                       |      | 2,620,438               | 2,312,586               |
|  |      | <u>2,943,997</u>        | <u>2,441,651</u>        |
| Creditors: amounts falling due within one year | 7    | (915,234)               | (250,397)               |
| <b>Net current assets</b>                      |      | <u>2,028,763</u>        | <u>2,191,254</u>        |
| <b>Total assets less current liabilities</b>   |      | <u>3,563,227</u>        | <u>2,774,117</u>        |
| <b>Net assets</b>                              |      | <u><u>3,563,227</u></u> | <u><u>2,774,117</u></u> |
| <b>Capital and reserves</b>                    |      |                         |                         |
| Called up share capital                        |      | 240                     | 221                     |
| Share premium account                          | 9    | 9,003,596               | 6,403,258               |
| Other reserves                                 | 9    | 250,652                 | 148,880                 |
| Profit and loss account                        | 9    | (5,691,261)             | (3,778,242)             |
|  |      | <u>3,563,227</u>        | <u>2,774,117</u>        |

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

DocuSigned by:  
  
E14E93653C064E8...  
**Daniel Karger**  
Director

**POSITRON TECHNOLOGIES LTD  
REGISTERED NUMBER: 10934812**

**BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2022**

Date: 2 August 2023

The notes on pages 3 to 11 form part of these financial statements.

## **POSITRON TECHNOLOGIES LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **1. Accounting policies**

##### **1.1 Basis of preparation of financial statements**

Positron Technologies Limited (the company) is a private limited company incorporated and domiciled in the United Kingdom.

The financial statements are prepared for the year ended 31 December 2022 (2021: 16 month period ended 31 December 2021).

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### **1.2 Preparation of consolidated financial statements**

The financial statements contain information about Positron Technologies Ltd as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

##### **1.3 Going Concern**

The financial statements have been prepared on a going concern basis. The directors believe that the company's sales growth trajectory, its cash levels and its ability to control its operating costs put it in a good position to manage its business risks successfully. This, together with detailed forecasts prepared by the directors have demonstrated a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and they consider it is appropriate to apply the going concern basis of accounting in preparing the financial statements.

##### **1.4 Foreign currency translation**

###### **Functional and presentation currency**

The Company's functional and presentational currency is GBP and is presented to the nearest pound (£).

###### **Transactions and balances**

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

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

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

## **POSITRON TECHNOLOGIES LTD**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **1. Accounting policies (continued)**

##### **1.5 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **Rendering of services**

Revenue is recognised at the point a service is delivered to the client for advisory revenue and at the point of submission to HMRC or other tax authorities for all compliance based revenue. Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### **1.6 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

##### **1.7 Other operating income**

Other operating income represents grant income and is recognised over the life of the project.

##### **1.8 Share-based payments**

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

## POSITRON TECHNOLOGIES LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1. Accounting policies (continued)

##### 1.9 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

##### 1.10 Intangible assets

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

All intangible assets are considered to have a finite useful life being five years.

##### 1.11 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

|                       |                |
|-----------------------|----------------|
| Fixtures and fittings | - over 3 years |
| Computer equipment    | - over 3 years |

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

##### 1.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

##### 1.13 Debtors

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

##### 1.14 Cash and cash equivalents

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

## POSITRON TECHNOLOGIES LTD

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1. Accounting policies (continued)

##### 1.15 Creditors

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

##### 1.16 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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

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

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

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

## POSITRON TECHNOLOGIES LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**2. Employees**

The average monthly number of employees, including directors, during the year was 23 (2021: 23).

**3. Intangible assets**

|                                     | <b>Patents<br/>£</b> |
|-------------------------------------|----------------------|
| <b>Cost</b>                         |                      |
| At 1 January 2022                   | 3,338                |
| At 31 December 2022                 | <u>3,338</u>         |
| <b>Amortisation</b>                 |                      |
| At 1 January 2022                   | 1,456                |
| Charge for the year on owned assets | <u>648</u>           |
| At 31 December 2022                 | <u>2,104</u>         |
| <b>Net book value</b>               |                      |
| At 31 December 2022                 | <u><u>1,234</u></u>  |
| At 31 December 2021                 | <u><u>1,882</u></u>  |



## POSITRON TECHNOLOGIES LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

## 4. Tangible fixed assets

|                                     | Fixtures and<br>fittings<br>£ | Computer<br>equipment<br>£ | Total<br>£ |
|-------------------------------------|-------------------------------|----------------------------|------------|
| <b>Cost or valuation</b>            |                               |                            |            |
| At 1 January 2022                   | 858                           | 22,172                     | 23,030     |
| Additions                           | -                             | 12,124                     | 12,124     |
| At 31 December 2022                 | 858                           | 34,296                     | 35,154     |
| <b>Depreciation</b>                 |                               |                            |            |
| At 1 January 2022                   | 310                           | 10,656                     | 10,966     |
| Charge for the year on owned assets | 286                           | 7,924                      | 8,210      |
| At 31 December 2022                 | 596                           | 18,580                     | 19,176     |
| <b>Net book value</b>               |                               |                            |            |
| At 31 December 2022                 | 262                           | 15,716                     | 15,978     |
| At 31 December 2021                 | 548                           | 11,516                     | 12,064     |

## 5. Investments

|                     | Investments in<br>subsidiary<br>undertakings<br>£ |
|---------------------|---|
| <b>Cost</b>         |   |
| At 1 January 2022   | 568,917   |
| Additions           | 948,335   |
| At 31 December 2022 | 1,517,252   |

## POSITRON TECHNOLOGIES LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

## 5. Investments (continued)

## Subsidiary undertakings

The following were subsidiary undertakings of the Company:

| Name                 | Registered office   | Principal activity                               | Class of shares | Holding |
|----------------------|---|--|-----------------|---------|
| TaxScouts Estonia OÜ | Peetri 11, Tallinn 10414, Estonia                                 | Product design and Software development services | Ordinary        | 100%    |
| TaxScouts España SL  | Calle Carrera de San Jerónimo 15, oficina 103, 28014 Madrid SPAIN | Spanish Tax preparation platform                 | Ordinary        | 100%    |

The aggregate of the share capital and reserves as at 31 December 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

| Name                 | Aggregate of share capital and reserves<br>£ | Profit/(Loss)<br>£ |
|----------------------|--|--------------------|
| TaxScouts Estonia OÜ | 11,654                                       | 784                |
| TaxScouts España SL  | (26,517)                                     | (1,000,136)        |

## 6. Debtors

|                                    | 2022<br>£      | 2021<br>£      |
|------------------------------------|----------------|----------------|
| Trade debtors                      | 101,079        | 51,780         |
| Amounts owed by group undertakings | 502            | 502            |
| Other debtors                      | 25,200         | 25,200         |
| Prepayments and accrued income     | 97,132         | 51,583         |
| Tax recoverable                    | 99,646         | -              |
|                                    | <u>323,559</u> | <u>129,065</u> |

## POSITRON TECHNOLOGIES LTD

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

## 7. Creditors: Amounts falling due within one year

|                                    | 2022<br>£      | 2021<br>£      |
|------------------------------------|----------------|----------------|
| Trade creditors                    | 196,788        | 91,115         |
| Other taxation and social security | 171,785        | 84,328         |
| Other creditors                    | 7              | -              |
| Accruals and deferred income       | 546,654        | 74,954         |
|                                    | <u>915,234</u> | <u>250,397</u> |

## 8. Share capital

|  | 2022<br>£  | 2021<br>£  |
|--|------------|------------|
| <b>Allotted, called up and fully paid</b>                |            |            |
| 1,362,647 (2021: 1,249,720) Ordinary shares of £- each   | 136        | 125        |
| 400,560 (2021: 400,560) Seed Preferred shares of £- each | 40         | 40         |
| 556,851 (2021: 556,850) Series A shares of £- each       | 56         | 56         |
| 80,186 (2021: nil) Series A1 shares of £- each           | 8          | -          |
|  | <u>240</u> | <u>221</u> |

On 11 April 2022 112,927 Ordinary shares were issued at a nominal value of £0.0001 per share for total consideration of £1,577,251.

On 11 April 2022 1 Series A share was issued at a nominal value of £0.0001 per share for total consideration of £13.97.

On 11 April 2022 80,186 Series A1 shares were issued at a nominal value of £0.0001 per share for total consideration of £1,119,958.

## 9. Reserves

**Share premium account**

This reserve records the amount above the nominal value received for shares issued by the company, less transaction costs.

**Other reserves**

This reserve records the cumulative fair value of share options as they vest and for those which have fully vested and are exercisable. On exercise of fully vested options, a transfer of the fair value of those options is made to profit or loss.

**Profit and loss account**

This reserve relates to the cumulative profits and losses less amounts distributed to shareholders.

**POSITRON TECHNOLOGIES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**10. Share-based payment transactions**

The company operates an EMI qualifying share option scheme for the employees of the company. As at the Balance sheet date, the company had granted 64,950 (2021: 78,000) qualifying share options to 18 (2021: 19) employees. During the year, 21,456 (2021: 24,940) share options have vested, no (2021: 16,380) have been exercised and 9,540 (2021: 15,620) share options have lapsed. The total unvested options at balance sheet date are 31,624 (2021: 31,510). Share options vest over a period ranging from 42 to 47 months from the date of grant and with a cliff ranging from 6 to 11 months.

The share options are exercisable on the share capital of the company.