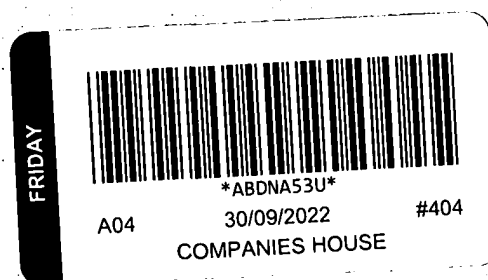


**FOCAL POINT POSITIONING LIMITED**

**UNAUDITED**

**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**



**FOCAL POINT POSITIONING LIMITED**

**COMPANY INFORMATION**

**Directors**

D D Cleevely  
D Cummings (appointed 5 March 2021)  
Dr R M Faragher  
A Trewby (resigned 10 August 2022)  
E Burbidge (resigned 5 March 2021)  
J P Krancki (appointed 10 August 2022)  
S Pomerantz (appointed 10 August 2022)  
L Kravets (appointed 27 September 2022)

**Company secretary**

D M Buckle

**Registered number**

09589495

**Registered office**

1-3 Chesterton Mill  
Frenchs Road  
Cambridge  
CB4 3NP

**Accountants**

Grant Thornton UK LLP  
Chartered Accountants  
Grant Thornton House  
199 Avebury Blvd  
Milton Keynes  
MK9 1AU

**FOCAL POINT POSITIONING LIMITED**

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**FOCAL POINT POSITIONING LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

**Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 Group 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 the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Directors**

The directors who served during the year were:

D D Clevely  
D Cummings (appointed 5 March 2021)  
Dr R M Faragher  
A Trewby (resigned 10 August 2022)  
E Burbidge (resigned 5 March 2021)

**Small companies note**

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

This report was approved by the board on 29/9/2022 and signed on its behalf.

*Dr Ramsey Faragher*

Dr R M Faragher  
Director



**Report to the directors on the preparation of the unaudited statutory financial statements of Focal Point Positioning Limited for the year ended 31 December 2021**

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We have compiled the accompanying financial statements of Focal Point Positioning Limited (the 'company') based on the information you have provided. These financial statements comprise the Consolidated and Company Balance Sheet of Focal Point Positioning Limited as at 31 December 2021, the Consolidated Statement of Comprehensive Income for the year then ended, the Consolidated and Company Statement of Changes in Equity and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), 'Compilation Engagements'.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with 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). As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com](http://www.icaew.com).

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

This report is made solely to the Company's directors, as a body, in accordance with the terms of our engagement letter dated 23 June 2022. Our work has been undertaken solely to prepare for your approval the financial statements of the company and state those matters that we have agreed to state to the Company's directors, as a body, in this report in accordance with our engagement letter dated 23 June 2022. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its directors, as a body, for our work or for this report.

*Grant Thornton UK LLP*

**Grant Thornton UK LLP**

Chartered Accountants

Milton Keynes

Date: 29/9/2022

# FOCAL POINT POSITIONING LIMITED

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

|   |      | 12 month<br>period<br>ended<br>December<br>2021<br>£ | <i>As restated</i><br>9 month<br>period ended<br>December<br>2020<br>£ |
|---|------|--|--|
|   | Note |  |  |
| Turnover                                    |      | 21,100   | 832,692  |
| <b>Gross profit</b>                         |      | <b>21,100</b>  | <b>832,692</b>   |
| Administrative expenses                     |      | (3,330,844)  | (1,491,805)  |
| <b>Operating loss</b>                       |      | <b>(3,309,744)</b>                                   | <b>(659,113)</b>   |
| Interest receivable and similar income      |      | 245  | 199  |
| Interest payable and similar expenses       |      | 139,620  | (101,454)  |
| <b>Loss before taxation</b>                 |      | <b>(3,169,879)</b>                                   | <b>(760,368)</b>   |
| Tax on loss                                 | 5    | 403,703  | 244,561  |
| <b>Loss for the financial year</b>          |      | <b>(2,766,176)</b>                                   | <b>(515,807)</b>   |
| <b>(Loss) for the year attributable to:</b> |      |  |  |
| Owners of the parent Company                |      | (2,766,176)  | (515,807)  |
|   |      | <b>(2,766,176)</b>                                   | <b>(515,807)</b>   |

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

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

The notes on pages 12 to 25 form part of these financial statements.

**FOCAL POINT POSITIONING LIMITED**  
**REGISTERED NUMBER: 09589495**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

|   | Note | 2021<br>£               | As restated<br>2020<br>£ |
|---|------|-------------------------|--------------------------|
| <b>Fixed assets</b>                                     |      |                         |                          |
| Tangible assets   | 6    | 340,210                 | 110,981                  |
|   |      | <u>340,210</u>          | <u>110,981</u>           |
| <b>Current assets</b>                                   |      |                         |                          |
| Debtors: amounts falling due within one year            | 8    | 716,472                 | 387,285                  |
| Cash at bank and in hand                                | 9    | 3,685,255               | 731,419                  |
|   |      | <u>4,401,727</u>        | <u>1,118,704</u>         |
| Creditors: amounts falling due within one year          | 10   | (276,203)               | (148,447)                |
| <b>Net current assets</b>                               |      | <u>4,125,524</u>        | <u>970,257</u>           |
| <b>Total assets less current liabilities</b>            |      | <u>4,465,734</u>        | <u>1,081,238</u>         |
| Creditors: amounts falling due after more than one year | 11   | -                       | (1,194,701)              |
| <b>Provisions for liabilities</b>                       |      |                         |                          |
| <b>Net assets/(liabilities)</b>                         |      | <u><u>4,465,734</u></u> | <u><u>(113,463)</u></u>  |
| <b>Capital and reserves</b>                             |      |                         |                          |
| Called up share capital                                 |      | 26                      | 17                       |
| Share premium account                                   | 14   | 11,633,534              | 4,412,046                |
| Share option reserve                                    | 14   | 728,917                 | 466,122                  |
| Other reserves  | 14   | -                       | 138,919                  |
| Profit and loss account                                 | 14   | (7,896,743)             | (5,130,567)              |
|   |      | <u><u>4,465,734</u></u> | <u><u>(113,463)</u></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.

**FOCAL POINT POSITIONING LIMITED**  
**REGISTERED NUMBER: 09589495**

**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2021**

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

29/9/2022

*Dr Ramsey Faragher*

**Dr R M Faragher**  
Director

The notes on pages 12 to 25 form part of these financial statements.



**FOCAL POINT POSITIONING LIMITED**  
**REGISTERED NUMBER: 09589495**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

|   | Note | 2021<br>£               | As restated<br>2020<br>£ |
|---|------|-------------------------|--------------------------|
| <b>Fixed assets</b>                                     |      |                         |                          |
| Tangible assets   | 6    | 340,210                 | 110,981                  |
| Investments   | 7    | 550,000                 | -                        |
|   |      | <u>890,210</u>          | <u>110,981</u>           |
| <b>Current assets</b>                                   |      |                         |                          |
| Debtors: amounts falling due within one year            | 8    | 723,314                 | 387,285                  |
| Cash at bank and in hand                                | 9    | 3,479,768               | 731,419                  |
|   |      | <u>4,203,082</u>        | <u>1,118,704</u>         |
| Creditors: amounts falling due within one year          | 10   | (642,415)               | (148,447)                |
| <b>Net current assets</b>                               |      | <u>3,560,667</u>        | <u>970,257</u>           |
| <b>Total assets less current liabilities</b>            |      | <u>4,450,877</u>        | <u>1,081,238</u>         |
| Creditors: amounts falling due after more than one year | 11   | -                       | (1,194,701)              |
| <b>Net assets/(liabilities)</b>                         |      | <u><u>4,450,877</u></u> | <u><u>(113,463)</u></u>  |
| <b>Capital and reserves</b>                             |      |                         |                          |
| Called up share capital                                 |      | 26                      | 17                       |
| Share premium account                                   | 14   | 11,633,534              | 4,412,046                |
| Share option reserve                                    | 14   | 728,917                 | 466,122                  |
| Other reserves  | 14   | -                       | 138,919                  |
| Profit and loss account brought forward                 |      | (5,130,567)             | (4,614,760)              |
| Loss for the year                                       |      | (2,781,033)             | (515,807)                |
| Profit and loss account carried forward                 |      | <u>(7,911,600)</u>      | <u>(5,130,567)</u>       |
|   |      | <u><u>4,450,877</u></u> | <u><u>(113,463)</u></u>  |

The directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of 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.

**FOCAL POINT POSITIONING LIMITED**  
**REGISTERED NUMBER: 09589495**

**COMPANY BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2021**

The Company's financial statements have been prepared in accordance with the 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 on

29/9/2022

*Dr Ramsey Faragher*  
**Dr R M Faragher**  
Director

The notes on pages 12 to 25 form part of these financial statements.

## FOCAL POINT POSITIONING LIMITED

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

|  | Called up<br>share capital<br>(as restated)<br>£ | Share<br>premium account (as<br>restated)<br>£ | Share option<br>reserve (as<br>restated)<br>£ | Other<br>reserves<br>(as restated)<br>£ | Profit and<br>loss account<br>(as restated)<br>£ | Total equity<br>£ |
|--|--|--|---|---|--|-------------------|
| <b>At 1 April 2020 (as restated)</b>       | 17   | 4,412,046                                      | 403,710                                       | 121,711                                 | (4,614,760)                                      | 322,724           |
| <b>Comprehensive income for the period</b> |  |  |   |   |  |                   |
| Loss for the period                        | -  | -  | -   | -                                       | (515,807)  | (515,807)         |
| Other movement (as restated)               | -  | -  | 62,412  | 17,208                                  | -  | 79,620            |
| <b>At 1 January 2021 (as restated)</b>     | 17   | 4,412,046                                      | 466,122                                       | 138,919                                 | (5,130,567)                                      | (113,463)         |
| <b>Comprehensive income for the year</b>   |  |  |   |   |  |                   |
| Loss for the year                          | -  | -  | -   | -                                       | (2,766,176)                                      | (2,766,176)       |
| Shares issued during the year              | 9  | 7,221,488                                      | -   | -                                       | -  | 7,221,497         |
| Other movement                             | -  | -  | 262,795                                       | (138,919)                               | -  | 123,876           |
| <b>At 31 December 2021</b>                 | 26   | 11,633,534                                     | 728,917                                       | -                                       | (7,896,743)                                      | 4,465,734         |

The notes on pages 12 to 25 form part of these financial statements.

**FOCAL POINT POSITIONING LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

An adjustment has been made to restate the prior period balance sheet to correctly reflect the split between share capital and share premium, which was previously combined.

As a result of this restatement, the balance sheet now shows share capital and share premium separately. Previously, the share capital was £4,412,063. The balance on share capital is now £17 and the balance on the share premium account is now £4,412,046.

Another adjustment has been made to restate the prior period balance sheet to reclass a tax receivable balance that was previously shown in creditors, to debtors. As a result of this restatement, the prior period total creditors balance is now £148,447, previously a debit balance of £96,114. The prior period total debtor balance is now £387,285, previously a balance of £142,724.

There has been no effect on profit as a result of these amendments.

A further adjustment has also been made to restate the prior year balance sheet and Statement of Comprehensive Income to correct the brought forward position of the share options reserve, which was previously incorrect.

As a result of this restatement, at 1 April 2020 the share option reserve balance is now £403,710, previously this was £554,142. The movement in the share option reserve has been restated to £62,412, previously £56,143. This change results in the 1 January 2021 brought forward balance to be £466,122, previously £610,285. This has resulted in a change of the 1 April 2020 Profit and loss reserve from £4,765,192 to £4,614,760. Also, the adjustment has resulted in an increase in the loss for the period ended 31 December 2020, from £509,538 to £515,807.

## FOCAL POINT POSITIONING LIMITED

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

|  | Called up<br>share capital<br>(as restated)<br>£ | Share<br>premium<br>account (as<br>restated)<br>£ | Share option<br>reserve (as<br>restated)<br>£ | Other<br>reserves<br>(as restated)<br>£ | Profit and<br>loss account<br>(as restated)<br>£ | Total equity<br>£ |
|--|--|---|---|---|--|-------------------|
| <b>At 1 April 2020 (as restated)</b>       | 17   | 4,412,046   | 403,710                                       | 121,711                                 | (4,614,760)                                      | 322,724           |
| <b>Comprehensive income for the period</b> |  |   |   |   |  |                   |
| Loss for the period                        | -  | -   | -   | -                                       | (515,807)  | (515,807)         |
| Other movement (as restated)               | -  | -   | 62,412  | 17,208                                  | -  | 79,620            |
| <b>At 1 January 2021 (as restated)</b>     | 17   | 4,412,046   | 466,122                                       | 138,919                                 | (5,130,567)                                      | (113,463)         |
| <b>Comprehensive income for the period</b> |  |   |   |   |  |                   |
| Loss for the year                          | -  | -   | -   | -                                       | (2,781,033)                                      | (2,781,033)       |
| Shares issued during the year              | 9  | 7,221,488   | -   | -                                       | -  | 7,221,497         |
| Other movement                             | -  | -   | 262,795                                       | (138,919)                               | -  | 123,876           |
| <b>At 31 December 2021</b>                 | 26   | 11,633,534  | 728,917                                       | -                                       | (7,911,600)                                      | 4,450,877         |

The notes on pages 12 to 25 form part of these financial statements.

**FOCAL POINT POSITIONING LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

An adjustment has been made to restate the prior period balance sheet to correctly reflect the split between share capital and share premium, which was previously combined.

As a result of this restatement, the balance sheet now shows share capital and share premium separately. Previously, the share capital was £4,412,063. The balance on share capital is now £17 and the balance on the share premium account is now £4,412,046.

Another adjustment has been made to restate the prior period balance sheet to reclass a tax receivable balance that was previously shown in creditors, to debtors. As a result of this restatement, the prior period total creditors balance is now £148,447, previously a debit balance of £96,114. The prior period total debtor balance is now £387,285, previously a balance of £142,724.

There has been no effect on profit as a result of these amendments.

A further adjustment has also been made to restate the prior period balance sheet and Statement of Comprehensive Income to correct the brought forward position of the share options reserve, which was previously incorrect.

As a result of this restatement, at 1 April 2020 the share option reserve balance is now £403,710, previously this was £554,142. The movement in the share option reserve has been restated to £62,412, previously £56,143. This change results in the 1 January 2021 brought forward balance to be £466,122, previously £610,285. This has resulted in a change of the 1 April 2020 Profit and loss reserve from £4,765,192 to £4,614,760. Also, the adjustment has resulted in an increase in the loss for the period ended 31 December 2020, from £509,538 to £515,807.

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**FOCAL POINT POSITIONING LIMITED**

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

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**1. General information**

The company is a private company, limited by shares and is registered in England and Wales.

Registered number: 09589495

Registered office:  
1-3 Chesterton Mill  
Frenchs Road  
Cambridge  
CB4 3NP

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

**2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The subsidiary, Focal Point Positioning INC was incorporated on the 24 August 2021.

The current reported results include a period of 4 months of trading for the subsidiary. The comparative amounts presented are for the parent entity and are therefore not entirely comparable.

**FOCAL POINT POSITIONING LIMITED**

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

**2. Accounting policies (continued)**

**2.3 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

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

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

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.



## FOCAL POINT POSITIONING LIMITED

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

#### 2. Accounting policies (continued)

##### 2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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:

##### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### Rendering of services

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 Group 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.

##### 2.5 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

##### 2.6 Interest income

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

**FOCAL POINT POSITIONING LIMITED**

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

**2. Accounting policies (continued)**

**2.7 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.8 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**2.9 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 and the Group operate and generate income.

**2.10 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.

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**FOCAL POINT POSITIONING LIMITED**


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


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**2. Accounting policies (continued)****2.10 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives on the following basis:

Depreciation is provided on the following basis:

|                       |                             |
|-----------------------|-----------------------------|
| Building improvements | - 15 years straight line    |
| Freehold property     | - 4 - 5 years straight line |
| Plant and machinery   | - 4 years straight line     |
| Motor vehicles        | - 5 years reducing balance  |
| Fixtures and fittings | - 4 years straight line     |
| Computer equipment    | - 4 years straight line     |

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.

**2.11 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.12 Debtors**

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

**2.13 Cash and cash equivalents**

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

**2.14 Creditors**

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

**2.15 Financial instruments**

The Group 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

## FOCAL POINT POSITIONING LIMITED

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

## 2. Accounting policies (continued)

### 2.15 Financial instruments (continued)

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.

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 Consolidated 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 Group 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.

### 2.16 Share based payment

The company operates a number of equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting year is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each reporting date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

## 3. Employees

The average monthly number of employees, including directors, during the year was 29 (2020 - 20).

# FOCAL POINT POSITIONING LIMITED

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

### 4. Directors' remuneration

|   | 2021<br>£      | 2020<br>£     |
|---|----------------|---------------|
| Directors' emoluments                                       | 137,500        | 84,777        |
| Group contributions to defined contribution pension schemes | 6,875          | 5,000         |
|   | <u>144,375</u> | <u>89,777</u> |

### 5. Taxation

|  | 2021<br>£        | 2020<br>£        |
|--|------------------|------------------|
| <b>Corporation tax</b>                         |                  |                  |
| Current tax on profits for the year            | (414,434)        | (244,561)        |
| Adjustments in respect of previous periods     | 10,731           | -                |
|  | <u>(403,703)</u> | <u>(244,561)</u> |
| <b>Taxation on loss on ordinary activities</b> | <u>(403,703)</u> | <u>(244,561)</u> |

**FOCAL POINT POSITIONING LIMITED**

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

**6. Tangible fixed assets**

**Group**

|                                     | Building<br>improvements<br>£ | Leasehold<br>property<br>£ | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | Fixtures<br>and<br>fittings<br>£ | Computer<br>equipment<br>£ | Total<br>£     |
|-------------------------------------|-------------------------------|----------------------------|-----------------------------|------------------------|----------------------------------|----------------------------|----------------|
| <b>Cost</b>                         |                               |                            |                             |                        |                                  |                            |                |
| At 1 January 2021                   | 38,679                        | -                          | 58,772                      | 31,550                 | 4,316                            | 144,831                    | 278,148        |
| Additions                           | -                             | 246,698                    | -                           | -                      | -                                | 35,151                     | 281,849        |
| At 31 December 2021                 | <u>38,679</u>                 | <u>246,698</u>             | <u>58,772</u>               | <u>31,550</u>          | <u>4,316</u>                     | <u>179,982</u>             | <u>559,997</u> |
| <b>Depreciation</b>                 |                               |                            |                             |                        |                                  |                            |                |
| At 1 January 2021                   | 19,138                        | -                          | 43,835                      | 14,673                 | 2,698                            | 86,823                     | 167,167        |
| Charge for the year on owned assets | 7,736                         | -                          | 7,121                       | 3,375                  | 1,079                            | 33,309                     | 52,620         |
| At 31 December 2021                 | <u>26,874</u>                 | <u>-</u>                   | <u>50,956</u>               | <u>18,048</u>          | <u>3,777</u>                     | <u>120,132</u>             | <u>219,787</u> |
| <b>Net book value</b>               |                               |                            |                             |                        |                                  |                            |                |
| At 31 December 2021                 | <u>11,805</u>                 | <u>246,698</u>             | <u>7,816</u>                | <u>13,502</u>          | <u>539</u>                       | <u>59,850</u>              | <u>340,210</u> |
| At 31 December 2020                 | <u>19,541</u>                 | <u>-</u>                   | <u>14,937</u>               | <u>16,877</u>          | <u>1,618</u>                     | <u>58,008</u>              | <u>110,981</u> |

## LOCAL POINT POSITIONING LIMITED

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

## 6. Tangible fixed assets (continued)

## Company

|                                     | Building<br>improvements<br>£ | Leasehold<br>property<br>£ | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | Fixtures<br>and<br>fittings<br>£ | Computer<br>equipment<br>£ | Total<br>£ |
|-------------------------------------|-------------------------------|----------------------------|-----------------------------|------------------------|----------------------------------|----------------------------|------------|
| <b>Cost</b>                         |                               |                            |                             |                        |                                  |                            |            |
| At 1 January 2021                   | 38,679                        | -                          | 58,772                      | 31,550                 | 4,316                            | 144,831                    | 278,148    |
| Additions                           | -                             | 246,698                    | -                           | -                      | -                                | 32,893                     | 279,591    |
| At 31 December 2021                 | 38,679                        | 246,698                    | 58,772                      | 31,550                 | 4,316                            | 177,724                    | 557,739    |
| <b>Depreciation</b>                 |                               |                            |                             |                        |                                  |                            |            |
| At 1 January 2021                   | 19,138                        | -                          | 43,835                      | 14,673                 | 2,698                            | 86,823                     | 167,167    |
| Charge for the year on owned assets | 7,736                         | -                          | 7,121                       | 3,375                  | 1,079                            | 31,051                     | 50,362     |
| At 31 December 2021                 | 26,874                        | -                          | 50,956                      | 18,048                 | 3,777                            | 117,874                    | 217,529    |
| <b>Net book value</b>               |                               |                            |                             |                        |                                  |                            |            |
| At 31 December 2021                 | 11,805                        | 246,698                    | 7,816                       | 13,502                 | 539                              | 59,850                     | 340,210    |
| At 31 December 2020                 | 19,541                        | -                          | 14,937                      | 16,877                 | 1,618                            | 58,008                     | 110,981    |

**FOCAL POINT POSITIONING LIMITED**

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

**7. Fixed asset investments**

**Company**

|                          | Investments<br>in<br>subsidiary<br>companies<br>£ |
|--------------------------|---|
| <b>Cost or valuation</b> |   |
| Additions                | 550,000   |
| At 31 December 2021      | <u>550,000</u>                                    |

**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

| Name                        | Registered office | Class of<br>shares | Holding |
|-----------------------------|-------------------|--------------------|---------|
| Focal Point Positioning Inc | USA               | Ordinary<br>shares | 100%    |

**8. Debtors**

|                                | <b>Group</b>   | <i>Group<br/>As restated</i> | <b>Company</b> | <i>Company<br/>As restated</i> |
|--------------------------------|----------------|------------------------------|----------------|--------------------------------|
|                                | <b>2021</b>    | <b>2020</b>                  | <b>2021</b>    | <b>2020</b>                    |
|                                | £              | £                            | £              | £                              |
| Trade debtors                  | -              | 20,000                       | -              | 20,000                         |
| Other debtors                  | 483,930        | 270,149                      | 490,772        | 270,149                        |
| Prepayments and accrued income | 232,542        | 97,136                       | 232,542        | 97,136                         |
|                                | <u>716,472</u> | <u>387,285</u>               | <u>723,314</u> | <u>387,285</u>                 |

Amounts owed by group undertakings are interest free, repayable on demand and unsecured.

Included within prepayments is a lease deposit of £146,000 which is due in greater than one year.



**FOCAL POINT POSITIONING LIMITED**

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

**9. Cash and cash equivalents**

|                          | <b>Group<br/>2021<br/>£</b> | <i>Group<br/>2020<br/>£</i> | <b>Company<br/>2021<br/>£</b> | <i>Company<br/>2020<br/>£</i> |
|--------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Cash at bank and in hand | <b>3,685,255</b>            | <i>731,419</i>              | <b>3,479,768</b>              | <i>731,419</i>                |

**10. Creditors: Amounts falling due within one year**

|                                    | <b>Group<br/>2021<br/>£</b> | <i>Group<br/>As restated<br/>2020<br/>£</i> | <b>Company<br/>2021<br/>£</b> | <i>Company<br/>As restated<br/>2020<br/>£</i> |
|------------------------------------|-----------------------------|---|-------------------------------|---|
| Trade creditors                    | <b>119,013</b>              | <i>95,025</i>                               | <b>119,013</b>                | <i>95,025</i>                                 |
| Amounts owed to group undertakings | <b>-</b>                    | <i>-</i>                                    | <b>366,212</b>                | <i>-</i>                                      |
| Other taxation and social security | <b>61,209</b>               | <i>32,520</i>                               | <b>61,209</b>                 | <i>32,520</i>                                 |
| Other creditors                    | <b>26,665</b>               | <i>18,275</i>                               | <b>26,665</b>                 | <i>18,275</i>                                 |
| Accruals and deferred income       | <b>69,316</b>               | <i>2,627</i>                                | <b>69,316</b>                 | <i>2,627</i>                                  |
|                                    | <b>276,203</b>              | <i>148,447</i>                              | <b>642,415</b>                | <i>148,447</i>                                |

Amounts owed to group undertakings are interest free, repayable on demand and unsecured.

**11. Creditors: Amounts falling due after more than one year**

|                 | <b>Group<br/>2021<br/>£</b> | <i>Group<br/>2020<br/>£</i> | <b>Company<br/>2021<br/>£</b> | <i>Company<br/>2020<br/>£</i> |
|-----------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Other creditors | <b>-</b>                    | <i>1,194,701</i>            | <b>-</b>                      | <i>1,194,701</i>              |

During the year, the convertible loan was converted into 138,797 A1 Preferred shares issued at £8.60 per share, for a total consideration of £1,194,000.

# **FOCAL POINT POSITIONING LIMITED**

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

### **12. Share based payments**

The Company issues equity-settled share based payments to certain employees and advisors. In November 2015 the company established an Enterprise Management Investment Share Option Scheme and an unapproved Options scheme. The Schemes were established to recruit, motivate and retain key permanent employees and advisors.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are laid out below:

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At each balance sheet date, the Company revises its estimate of the number of equity instruments expected to vest as a result of the effect of non market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

|                             | Weighted<br>average<br>exercise price<br>(pence)<br>2021 | Number<br>2021 | Weighted<br>average<br>exercise price<br>(pence)<br>As restated<br>2020 | Number<br>2020 |
|-----------------------------|--|----------------|---|----------------|
| Outstanding at 1 January    | 54   | 84,628         | 37  | 135,515        |
| Granted                     | 1  | 108,642        | 1   | 963            |
| Exercised                   | -  | -              | 1   | 48,000         |
| Forfeited/Cancelled/Expired | -  | -              | 80  | 3,850          |
| Outstanding at 31 December  | 24   | 193,270        | 54  | 84,628         |

# FOCAL POINT POSITIONING LIMITED

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

### 13. Share capital

|   | 2021<br>£ | As restated<br>2020<br>£ |
|---|-----------|--------------------------|
| <b>Allotted, called up and fully paid</b>                       |           |                          |
| 1,440,322 (2020 - 1,392,322) Ordinary shares of £0.0000125 each | 18        | 17                       |
| 491,631 (2020 - ) A1 Preferred shares of £0.0000125 each        | 6         | -                        |
| 172,624 (2020 - ) A2 Preferred shares of £0.0000125 each        | 2         | -                        |
|   | <u>26</u> | <u>17</u>                |

All shares rank parri-passu in relation to dividends and voting rights. With respect to capital, Ordinary shares are paid in preference to A1 and A2 preferred shares.

On 30/04/2020 the company issued 48,000 Ordinary shares with a nominal value of £0.0000125. Consideration of £480 was paid in respect of these shares.

On 10/03/2021 the company issued 298,169 A1 Preferred shares with a nominal value of £0.0000125. Consideration of £3,419,995 was paid in respect of these shares.

On 10/03/2021, the convertible loan was converted into 138,797 A1 Preferred shares issued at £8.60 per share, for a total consideration of £1,194,000.

On 15/04/2021 the company issued 52,310 A1 Preferred shares with a nominal value of £0.0000125. Consideration of £599,995 was paid in respect of these shares.

On 15/04/2021 the company issued 172,624 A2 Preferred shares with a nominal value of £0.0000125. Consideration of £1,979,995 was paid in respect of these shares.

On 04/05/2021 the company issued 2,355 A1 Preferred shares with a nominal value of £0.0000125. Consideration of £27,012 was paid in respect of these shares.

### 14. Reserves

#### Other reserves

The other reserve, is in relation to a convertible loan balance. This loan was converted into shares during the year.

#### Profit and loss account

The company loss for the year amounted to £2,781,033 (December 2020 as restated: £515,807).

### 15. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £20,653 (2020: £9,692).

**FOCAL POINT POSITIONING LIMITED**

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

**16. Related party transactions**

The Group is exempt from the requirement in FRS 102 Section 1a to disclose transactions with other members of the wholly owned Group.

**17. Post balance sheet events**

Post year end, the company has completed funding rounds. On the 10 August 2022 £2.5m was raised and then on the 9 September a further £10m was raised.

**18. Controlling party**

There is no ultimate controlling party.