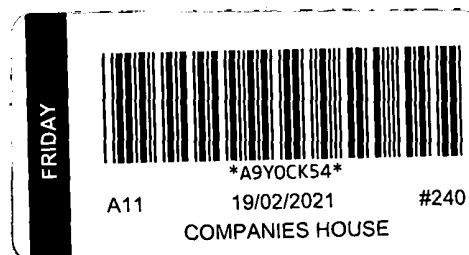


EXILE TECHNOLOGIES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020



EXILE TECHNOLOGIES LIMITED

COMPANY INFORMATION

Directors	M W Evans L E Heap R L Curda
Company secretary	M W Evans
Registered number	02361888
Registered office	F3 Bramingham Business Park Enterprise Way Luton Bedfordshire LU3 4BU
Independent auditors	ZEDRA Corporate Reporting Services (UK) Limited (formerly F&L Corporate Reporting Services Limited)

EXILE TECHNOLOGIES LIMITED

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EXILE TECHNOLOGIES LIMITED
REGISTERED NUMBER:02361888

BALANCE SHEET
AS AT 30 SEPTEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	4	313,765	349,474
		<u>313,765</u>	<u>349,474</u>
Current assets			
Stocks		403,194	403,109
Debtors: amounts falling due within one year	5	285,017	233,177
Bank and cash balances		993,568	987,481
		<u>1,681,779</u>	<u>1,623,767</u>
Creditors: amounts falling due within one year	6	(186,697)	(152,240)
Net current assets		<u>1,495,082</u>	<u>1,471,527</u>
Total assets less current liabilities		<u>1,808,847</u>	<u>1,821,001</u>
Provisions for liabilities			
Deferred tax	7	(23,785)	(39,471)
		<u>(23,785)</u>	<u>(39,471)</u>
Net assets		<u><u>1,785,062</u></u>	<u><u>1,781,530</u></u>

EXILE TECHNOLOGIES LIMITED
REGISTERED NUMBER:02361888

BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2020

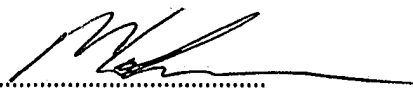
	2020 £	2019 £
Capital and reserves		
Called up share capital	405,000	405,000
Profit and loss account	1,380,062	1,376,530
	<u>1,785,062</u>	<u>1,781,530</u>

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:


.....
M W Evans
Director

Date:

7th Dec 2020

The notes on pages 3 to 9 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. Accounting policies

1.1 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 following principal accounting policies have been applied:

1.2 Going concern

On 11 March 2020, the World Health Organisation ("WHO") declared a pandemic in relation to Coronavirus disease ("COVID-19"). The outbreak and unprecedented spread of the Coronavirus across the globe has had a profound impact on the local and global markets in a short space of time, and is expected to continue to shape the economic landscape for the immediate future. The ultimate parent company, Geospace Technologies Corporation, and the group, have taken measures to carefully manage cashflow and working capital arrangements, which remain under stringent group control. The directors continue to monitor closely the impact of the unfolding events in order to respond swiftly to any consequential implications on the business.

The financial statements have been prepared on the going concern basis. The directors have considered the financial performance and position of the Company and have concluded that the Company has sufficient resources to meet its financial obligations and have expressed an intention to continue trading for at least 12 months from the date of approval of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. Accounting policies (continued)

1.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover from the sale of screen printing equipment and accessories is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company 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

Turnover from contracts to provide rental equipment or maintenance 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 turnover 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. Accounting policies (continued)

1.4 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.

1.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

1.6 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company 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 Company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. Accounting policies (continued)

1.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.8 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:

Freehold property	- 4%
Motor vehicles	- 20%
Scientific equipment	- 20%
Office equipment	- 10 - 20%
Computer equipment	- 33.33%

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. Accounting policies (continued)

1.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

On commencement of a long term rental agreement, the stock asset is capitalised at the lower of cost or net realisable value and depreciated over its useful economic life. If a lease is cancelled or terminated before reaching the expiry date the asset remains in fixed assets and continues to be depreciated over its remaining useful economic life. An asset is only transferred back to stock with the associated cost and depreciation removed from tangible fixed assets if the asset is to be sold to a third party.

1.10 Debtors

Short term debtors are measured at transaction price, less any impairment.

1.11 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.

1.12 Creditors

Short term creditors are measured at the transaction price. Loans payable are intercompany loans. No interest is charged on the loan, which is repayable on demand.

2. Auditors' information

The auditors' report on the financial statements for the year ended 30 September 2020 was unqualified.

The audit report was signed by Louise Morriss BFP ACA FCCA (Senior Statutory Auditor) on behalf of ZEDRA Corporate Reporting Services (UK) Limited.

3. Employees

The average monthly number of employees, including directors, during the year was 8 (2019 - 8).

EXILE TECHNOLOGIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

4. Tangible fixed assets

	Freehold property £	Motor vehicles £	Scientific equipment £	Office equipment £	Computer equipment £	Total £
Cost or valuation						
At 1 October 2019	330,000	7,995	537,018	33,825	2,000	910,838
Additions	-	-	114,432	-	-	114,432
Disposals	-	-	(121,014)	-	-	(121,014)
At 30 September 2020	330,000	7,995	530,436	33,825	2,000	904,256
Depreciation						
At 1 October 2019	213,133	267	312,139	33,825	2,000	561,364
Charge for the year on owned assets	9,200	1,599	95,968	-	-	106,767
Disposals	-	-	(77,640)	-	-	(77,640)
At 30 September 2020	222,333	1,866	330,467	33,825	2,000	590,491
Net book value						
At 30 September 2020	107,667	6,129	199,969	-	-	313,765
At 30 September 2019	116,867	7,729	224,878	-	-	349,474

5. Debtors

	2020 £	2019 £
Trade debtors	275,767	221,268
Other debtors	2,500	11,909
Prepayments and accrued income	6,750	-
	<u>285,017</u>	<u>233,177</u>

EXILE TECHNOLOGIES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020****6. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	38,974	7,093
Amounts owed to group undertakings	31,260	33,415
Corporation tax	16,783	10,023
Accruals and deferred income	99,680	101,709
	<u>186,697</u>	<u>152,240</u>

7. Deferred taxation

	2020 £
At beginning of year	(39,471)
Credited to profit or loss	15,686
At end of year	<u>(23,785)</u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Capital allowances in excess of depreciation	(26,377)	(41,637)
Short term timing differences	2,592	2,166
	<u>(23,785)</u>	<u>(39,471)</u>

8. Controlling party

Geospace Technologies Corporation is the parent of the smallest group for which consolidated financial statements are drawn up of which the Company is a member. The registered office of the ultimate parent company is 7007 Pinemont, Houston, Texas 77040 USA.

9. Post balance sheet events

There were no adjusting or non-adjusting events occurring between the end of the reporting period and the date these financial statements were approved.