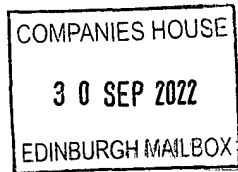


Company Registration No. SC440296 (Scotland)



ISLE TOOLS LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



ISLE TOOLS LTD

COMPANY INFORMATION

| | | |
|--------------------------|--|--------------------------|
| Directors | Mr F Casavantes Mr G Cresswell | (Appointed 1 March 2021) |
| Company number | SC440296 | |
| Registered office | Brodies House 31 - 33 Union Grove Aberdeen United Kingdom AB10 6SD | |
| Accountants | Chiene + Tait LLP 61 Dublin Street Edinburgh EH3 6NL | |

ISLE TOOLS LTD

CONTENTS

| | Page |
|--------------------------------------|-------------|
| Directors' report | 1 |
| Accountants report | 2 |
| Balance sheet | 3 |
| Notes to financial statements | 4-6 |

ISLE TOOLS LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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

Principal activities

The principal activity of the company is that of a non-trading subsidiary company.

Directors

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

| | |
|-----------------|-----------------------------|
| Mr H McFarlain | (Resigned 28 February 2021) |
| Mr F Casavantes | |
| Mr G Cresswell | (Appointed 1 March 2021) |

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Mr F Casavantes
Director

28 September 2022

ISLE TOOLS LTD

REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY ACCOUNTS OF ISLE TOOLS LTD FOR THE YEAR ENDED 31 DECEMBER 2021

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Isle Tools Ltd for the year ended 31 December 2021 which comprise, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS we are subject to its ethical and other professional requirements which are detailed at <https://icas.com/icas-framework-preparation-of-accounts>.

This report is made solely to the Board of Directors of Isle Tools Ltd, as a body, in accordance with the terms of our engagement letter dated 25 May 2022. Our work has been undertaken solely to prepare for your approval the financial statements of Isle Tools Ltd and state those matters that we have agreed to state to the Board of Directors of Isle Tools Ltd, as a body, in this report in accordance with the requirements of ICAS as detailed at <https://icas.com/icas-framework-preparation-of-accounts>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Isle Tools Ltd and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Isle Tools Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and result of Isle Tools Ltd. You consider that Isle Tools Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Isle Tools Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Chiene + Tait LLP

Chiene ++ Tait LLP
Chartered Accountants

30 September 2022

61 Dublin Street
Edinburgh
EH3 6NL

ISLE TOOLS LTD**BALANCE SHEET
AS AT 31 DECEMBER 2021**

| | Notes | £ | 2021 | £ | £ | 2020 | £ |
|--|-------|---|---------|---------|---------|------|---------|
| Fixed assets | | | | | | | |
| Intangible assets | 3 | | | 18,969 | | | 18,969 |
| Current assets | | | | | | | |
| Debtors | 4 | | 353,187 | | 353,187 | | |
| Net current assets | | | | 353,187 | | | 353,187 |
| Total assets less current liabilities | | | | 372,156 | | | 372,156 |
| Provisions for liabilities | | | | (2,734) | | | (2,734) |
| Net assets | | | | 369,422 | | | 369,422 |
| Capital and reserves | | | | | | | |
| Called up share capital | | | | 2 | | | 2 |
| Share premium account | | | | 24,130 | | | 24,130 |
| Profit and loss reserves | | | | 345,290 | | | 345,290 |
| Total equity | | | | 369,422 | | | 369,422 |

For the financial year ended 31 December 2021 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the board of directors and authorised for issue on 28 September 2022 and are signed on its behalf by:



Mr F Casavantes
Director

Company Registration No. SC440296

ISLE TOOLS LTD

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

1 Accounting policies

Company information

Isle Tools Ltd is a private company limited by shares incorporated in Scotland. The registered office is Brodies House, 31 - 33 Union Grove, Aberdeen, United Kingdom, AB10 6SD.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view. There were no material departures from this standard.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Going concern

The company had net current assets at 31 December 2021 of £353,187 (2020: £353,187). At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Profit and loss account

The company has not traded during the year or the preceding financial period. During this time, the company received no income and incurred no expenditure and therefore no Profit and loss account is presented in these financial statements.

1.4 Research and development expenditure

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

1.5 Intangible fixed assets other than goodwill

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

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

| | |
|-------------------|----------------------|
| Development costs | 20% Reducing Balance |
|-------------------|----------------------|

1.6 Impairment of fixed assets

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

ISLE TOOLS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

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

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

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

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1.8 Equity instruments

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

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

ISLE TOOLS LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Intangible fixed assets

| | Other £ |
|--|---------------|
| Cost | |
| At 1 January 2021 and 31 December 2021 | <u>18,969</u> |
| Amortisation and impairment | |
| At 1 January 2021 and 31 December 2021 | <u>-</u> |
| Carrying amount | |
| At 31 December 2021 | <u>18,969</u> |
| At 31 December 2020 | <u>18,969</u> |

4 Debtors

| | 2021 £ | 2020 £ |
|------------------------------------|----------------|----------------|
| Amounts owed by group undertakings | <u>353,187</u> | <u>353,187</u> |

5 Related party transactions

The company has taken advantage of the exemption available in accordance with section 33 of FRS 102 "Related Party Disclosures" not to disclose related party transactions with any wholly owned members of the group.

No guarantees have been given or received.

6 Parent company

The company was controlled by its immediate parent company, Probe Technologies Holdings Inc, a company registered in the United States of America.

The ultimate controlling party at the year end was Tumbridge Capital Partners I, L.P., a company registered in the United States of America.