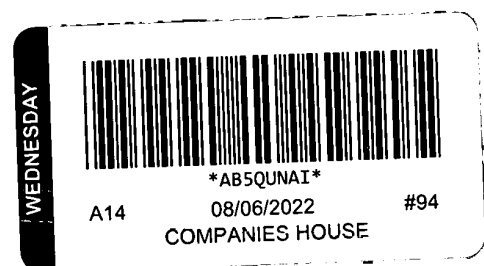


# Amphenol Thermometrics (UK) Limited

Annual report and financial statements  
for the year ended 31 December 2021

Registered number: 02310013



## **Amphenol Thermometrics (UK) Limited**

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**Amphenol Thermometrics (UK) Limited**  
Officers and professional advisers

<b>Directors</b>	R A Norwitt C A Lampo P J Straub
<b>Company Secretaries</b>	L E D'Amico Abogado Nominees Limited
<b>Registered Office</b>	100 New Bridge Street London EC4V 6JA
<b>Registered number</b>	02310013
<b>Bankers</b>	Barclays Bank PLC 1 Churchill Place Canary Wharf London E14 5HP
<b>Independent Auditor</b>	Dains LLP 15 Colmore Row Birmingham B3 2BH

# **Amphenol Thermometrics (UK) Limited**

## **Strategic report**

### **Review of the business**

Amphenol Thermometrics (UK) Limited manufactures, purchases and sells temperature, gas and moisture-based products worldwide. The Amphenol Thermometrics (UK) Limited business continues to benefit from working closely with affiliate companies in the United States, Europe and the Far East.

The results for the Company show turnover of £25.4 million (2020: £23.7million) and a pre-tax profit of £7.5 million (2020: £5.2 million) giving a net profit margin of 29.5% (2020: 22.0%). Trading performance was strong in 2021 as most markets recovered from the impact of the coronavirus pandemic. In particular, the Automotive sector grew despite the global supply chain challenges experienced throughout the year. The business continues to place a high priority on the safeguarding of its employees retaining tough housekeeping controls and allowing changed working patterns and practices where possible.

### **Key performance indicators**

Key performance indicators (KPIs) can be found in the financial statements of Amphenol Corporation. The Company's directors believe that the disclosure of further performance indicators for the Company is not appropriate for an understanding of the development, performance or position of the business, as the Group KPIs are consistent with Company KPIs.

Success will be judged by increasing the sales volume and return on sales. It is felt that these measurements are important to assess the future profitability of the Company and its growth potential.

### **Financial risk management objectives and policies**

The Company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

### **Principal risks and uncertainties**

As a consequence of the business' profitability, it is cash-positive and able to meet both its working capital requirements and its planned capital obligations. There is no current need for any short or long-term financing.

Markets continue to react to the different measures exercised by countries in their effort to combat the various coronavirus strains. The success of the vaccine roll out and the evolution of the vaccines will have a major impact on domestic and foreign demands.

Where possible product pricing in foreign currencies is protected through appropriate contractual amendments. There is no hedging of currencies.

There is also a risk of commodity price fluctuation particularly in precious metals; however, the Company does not hedge these risks as the costs and volumes are not considered material.

### **Cash flow risk**

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company participates in a cash pool arrangement with other UK Amphenol companies providing additional liquidity should any unforeseen circumstances arise.

### **Credit risk**

The Company's principal financial assets are bank balances and cash, trade and other debtors.

The Company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful debtors. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

## **Amphenol Thermometrics (UK) Limited**

### **Strategic report (continued)**

#### **Financial risk management objectives and policies (continued)**

##### ***Credit risk (continued)***

The Company has no significant concentration of credit risk, with exposure spread over a large number of customers.

##### ***Liquidity risk***

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

#### **Future developments**

The spread of different Covid-19 variants and the success of the vaccine development and distribution will have a large impact on the recovery of demand in the markets we serve. It will also affect how the business can best support and protect its employees during and after the vaccination rollout.

The Company is subject to pressure from competitors in low-cost manufacturing countries. The Company, however, enjoys the benefits of being part of Amphenol Corporation which has a number of businesses in the global sensor and connector markets. Amphenol Thermometrics (UK) Limited will seek to collaborate with these businesses in order to drive profitable growth with both new and existing customers.

Consistent with previous periods the Company conducts research and development on potential new products and expands the application of current technologies. During the year, the Company invested £1.0 million (2020: £1.0 million) in research and development.

The directors expect that trading volumes will be broadly in line with 2021 although uncertainty exists regarding customer purchasing behaviour impacted by the United Kingdom's new trading relationships with countries since leaving the European Union and the continued effects of Covid-19.

#### **Directors' statement of compliance with duty to promote the success of the Company**

Section 172 of the Act requires directors to act in a way that they consider, in good faith, would be, most likely to promote the success of a company. In doing so, directors must take into consideration the interests of the various stakeholders of the Company, the impact of the Company's operations on the community and the environment, take a long-term view on consequences of the decisions they make as well as aim to maintaining a reputation for high standards of business conduct and fair treatment between the members of the Company.

In complying with the requirements of section 172 of the Act, the directors should be able to ensure that all decisions are made in a responsible and sustainable way for the benefit of all stakeholders. In accordance with the requirements of the Companies (Miscellaneous Reporting) Regulations 2018, the Company explains below how the directors have discharged their duty under section 172. This section serves as the Company's Section 172 Statement.

The Company's stakeholders include its employees, its customers, its supply chain partners, shareholders, regulators, as well as the wider community in which the company operates and impacts. Details of how the Board seeks to understand the needs and priorities of the Company's stakeholders and how these are taken into account during all its discussions and as part of its decision making are set out below:

##### ***Employees***

Employee engagement is important to our success. We work to create a diverse and inclusive workplace where every employee can reach their full potential and be at their best. We engage with our people to ensure we are delivering to their expectations, supporting wellbeing and making the right business decisions. This ensures we can retain and develop the best talent.

##### ***Customers***

Focusing on the needs of our customers is critical to the success of our business. We maintain a high degree of customer interaction in order to anticipate and understand the future needs of our customers and their consumers,

## **Amphenol Thermometrics (UK) Limited**

### **Strategic report (continued)**

building on our years of experience in delivering to our markets. We collaborate and innovate with our customers to improve product performance and value to the consumer.

#### *Supply chain partners*

Our external supply chain and our suppliers are vital to our performance. We engage with them to build trusting and lasting relationships from which we can mutually benefit and to ensure they are performing to our standards and conducting business to our expectations.

#### *Shareholders and lenders*

We work to ensure that our shareholders have a strong understanding of our strategy, performance, ambition and culture.

#### *Governing bodies and regulators*

We engage with the national government agencies and key regulators to ensure that we can help shape policy, have licenses to operate safely, enable market insight and ensure regulatory compliance. We work with local governments and health and safety agencies where we have operations or future business opportunities.

#### *Communities*

As our sites are substantial employers we are committed to building positive relations with the communities in which we operate.

#### *Culture*

The Board are responsible for the overall effectiveness in directing the Company and promoting a culture of openness and debate and seeks to facilitate effective contributions by all Directors and employees. The Directors are required to act with integrity, lead by example and promote this culture within the Company.

The Board seeks to ensure the alignment of the Company's purpose, value and strategy with the culture of openness, debate and integrity through ongoing dialogue, and engagement with Stakeholders. It has adopted a number of policies, practices and behaviours to facilitate a culture of good governance and ensure that this is maintained.



**Craig Lampo**  
Director

May 24, 2022

100 New Bridge Street  
London  
EC4V 6JA

# **Amphenol Thermometrics (UK) Limited**

## **Directors' report**

The directors present their annual report on the affairs of the Company, together with the financial statements and auditor's report, for the year ended 31 December 2021.

### **Research and development**

During 2021 the Company continued to develop its product ranges using its local resources and those of other affiliated companies in the Amphenol Sensors and Technology Group. Research and development expenditure of £1.0 million (2020: £1.0million) was incurred during the year.

### **Future developments and financial risk management**

Details of future developments and financial risk management can be found in the Strategic Report on pages 1 and 2 and form part of this report by cross-reference.

### **Going concern**

The financial statements have been prepared on a going concern basis. The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report above.

The Company's forecasts and projections, taking into account the outbreak of the coronavirus and other reasonably possible changes in trading performance, show that the Company should be able to continue to generate operating profits and cash.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### **Dividends**

The directors propose a final dividend of £1.57 pence per Ordinary share (2020 - £nil) which will be approved at the annual general meeting.

### **Directors**

The directors, who served throughout the year and subsequently, were as follows:

P Straub

R A Norwitt

C Lampo

### **Directors' indemnities**

The Company has not made any qualifying third party indemnity provisions for the benefit of its directors.

### **Post balance sheet events**

There have been no significant events affecting the company since the year end.

### **Health and safety of employees**

The well-being of the Company's employees is safeguarded through strict adherence to health and safety standards. The Safety, Health and Welfare at Work Act 1989 imposes certain requirements on employers and the Company has taken the necessary action to ensure compliance with the Act, including the adoption of a Safety Statement.

### **Employee involvement**

The Company maintained its practice of consultation and communication with employees both by formal and informal methods.

### **Engagement with suppliers, customers and others**

It is important we have a clear understanding of the challenges facing our customers and supplies, as these may have a significant impact on the business in a variety of ways. We seek to have early visibility of potential opportunities or

## Amphenol Thermometrics (UK) Limited

### Directors' report

threats by maintaining close dialogue with existing customers and suppliers either by regular meetings or by visiting major market areas on a regular basis.

#### Greenhouse gas emissions, energy consumption and energy efficiency action

The Company's greenhouse gas emissions and energy consumption are as follows:

	2021	2020
Emissions resulting from activities for which the Company is responsible involving the combustion of gas or consumption of fuel for the purposes of transport (in tonnes of CO2 equivalent)	118	103
Emissions resulting from the purchase of the electricity by the Company for its own use, including the purposes of transport (in tonnes of CO2 equivalent)	605	558
Energy consumed from activities for which the Company is responsible involving the combustion of gas, or the consumption of fuel for the purposes of transport, and the annual quantity of energy consumed resulting from the purchase of electricity by the Company for its own use, including for the purposes of transport, in kWh	3,227,720	2,937,700

Energy consumption was taken from meter readings for Electricity and Gas in kWh and converted using the CO2e conversion factors of 0.233 and 0.184 respectively to calculate a Kg CO2e figure.

The company's effective ratio is 647 (2020: 370), calculated by taking the total tonnes of CO2e produced and dividing by the total tonnes of production by the company.

#### Disabled employees

The Company gives full consideration to applications for employment from disabled persons, to the training and promotion of disabled employees and to the continuation of employment from those becoming disabled.

#### Auditor

During the year Dains LLP were reappointed as auditors. Dains LLP has expressed their willingness to continue in office as auditor and will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

#### Disclosure of information to the auditors

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board and signed on its behalf by:



**Craig Lampo**

Director

May 24, 2022

100 New Bridge Street  
London  
EC4V 6JA



## **Amphenol Thermometrics (UK) Limited**

### **Directors' responsibilities statement**

The directors are responsible for preparing the Annual Report and the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 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 of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions.

## **Amphenol Thermometrics (UK) Limited**

### **Independent auditor's report to the members of Amphenol Thermometrics (UK) Limited**

#### **Opinion**

We have audited the financial statements of Amphenol Thermometrics (UK) Limited (the 'company') for the year ended 31 December 2021 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Amphenol Thermometrics (UK) Limited**

### **Independent auditor's report to the members of Amphenol Thermometrics (UK) Limited (continued)**

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of this matter.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Amphenol Thermometrics (UK) Limited**

### **Independent auditor's report to the members of Amphenol Thermometrics (UK) Limited (continued)**

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the manufacturing sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

## **Amphenol Thermometrics (UK) Limited**

### **Independent auditor's report to the members of Amphenol Thermometrics (UK) Limited (continued)**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Mark Gurney FCCA (Senior Statutory Auditor)**

for and on behalf of

**Dains LLP**

Statutory Auditor

Chartered Accountants

Birmingham

date **24 May 2022**

## Amphenol Thermometrics (UK) Limited

### Profit and loss account

For the year ended 31 December 2021

	Note	2021 £000	2020 £000
<b>Turnover</b>	3	25,356	23,659
Cost of sales		(15,511)	(16,076)
<b>Gross profit</b>		<u>9,845</u>	<u>7,891</u>
Distribution costs		(1,392)	(1,503)
Administrative expenses		(1,097)	(1,149)
Other operating income	5	13	154
<b>Operating profit</b>		<u>7,369</u>	<u>5,085</u>
Interest receivable and similar income	4	99	126
<b>Profit before taxation</b>	6	7,468	5,211
Tax on profit	10	(1,454)	(1,032)
<b>Profit after tax and total comprehensive income</b>		<u><u>6,014</u></u>	<u><u>4,179</u></u>

There are no other gains or losses in the year other than as presented in the profit and loss account therefore no separate Statement of Comprehensive Income is presented.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The notes on pages 14 to 25 form part of these financial statements.

## Amphenol Thermometrics (UK) Limited

### Balance sheet

For the year ended 31 December 2021

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Goodwill	12	426	639
Tangible assets	13	1,403	1,533
		<u>1,829</u>	<u>2,172</u>
<b>Current assets</b>			
Stock	14	2,220	2,081
Debtors	15	38,847	31,612
Cash at bank and in hand		587	703
		<u>41,654</u>	<u>34,396</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>(3,762)</u>	<u>(2,854)</u>
<b>Net current assets</b>		<u>37,892</u>	<u>31,542</u>
<b>Total assets less current liabilities</b>		<u>39,721</u>	<u>33,714</u>
<b>Provisions for liabilities</b>	18	<u>(21)</u>	<u>(28)</u>
<b>Net assets</b>		<u>39,700</u>	<u>33,686</u>
<b>Capital and reserves</b>			
Called up share capital	19	12,757	12,757
Share premium account	19	5,500	5,500
Equity reserve	19	9	9
Profit and loss account	19	21,434	15,420
<b>Total equity</b>		<u>39,700</u>	<u>33,686</u>

The financial statements of Amphenol Thermometrics (UK) Limited (registered number 02310013) were approved by the board of directors and authorised for issue on May 24, 2022. They were signed on its behalf by:



**Craig Lampo**  
Director

The notes on pages 14 to 25 form part of these financial statements.

## Amphenol Thermometrics (UK) Limited

### Statement of changes in equity

At 31 December 2021

	Called-up share capital £000	Share premium account £000	Equity reserve £000	Profit and loss account £000	Total £000
<b>At 1 January 2020</b>	12,757	5,500	9	11,241	29,507
Profit for the financial year	-	-	-	4,179	4,179
<b>At 31 December 2020 and 1 January 2021</b>	<u>12,757</u>	<u>5,500</u>	<u>9</u>	<u>15,420</u>	<u>33,686</u>
Profit for the financial year	-	-	-	6,014	6,014
<b>At 31 December 2021</b>	<u>12,757</u>	<u>5,500</u>	<u>9</u>	<u>21,434</u>	<u>39,700</u>



## **Amphenol Thermometrics (UK) Limited**

### **Notes to the financial statements**

**For the year ended 31 December 2021**

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

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

##### **a. General information and basis of accounting**

Amphenol Thermometrics (UK) Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act. The address of the registered office is given in the officers and professional advisers section. The nature of the Company's operations and its principal activities are set out in the strategic report on pages 1 and 2.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) the financial reporting standard application in the UK and Republic of Ireland issued by the Financial Reporting Council, and the Companies Act 2006.

The functional currency of Amphenol Thermometrics (UK) Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are prepared to the nearest £000.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Amphenol Corporation as at 31 December 2021 and these financial statements may be obtained from 358 Hall Avenue, Wallingford, Connecticut, CT06492, USA.

##### **b. Going concern**

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report. The directors' and strategic reports further describes the financial position of the Company; its liquidity position; the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; and its exposure to credit risk and liquidity risk.

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facility. The Company has entered into a cash pool agreement with other Amphenol entities in the UK providing additional liquidity should any unforeseen circumstances occur.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

##### **c. Goodwill**

Purchased goodwill, representing the excess of the purchase consideration over the fair value of the net assets acquired, is capitalised and written off to the profit and loss account by equal annual instalments over the estimated useful economic life of 10 years.

## **Amphenol Thermometrics (UK) Limited**

### **Notes to the financial statements (continued)**

For the year ended 31 December 2021

**1. Accounting policies (continued)**

**d. Intangible assets – research and development**

Research expenditure and development expenditure is written off as incurred.

**e. Tangible fixed assets**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings 50 years - 2% per annum

IT and associated equipment 3 years/ 33% per annum

The balance of Plant and machinery range between 3 years / 33% per annum and 8 years / 12.5% per annum

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

**f. Financial instruments**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when, there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**g. Stock**

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

**h. Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

**Non-financial assets**

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

## **Amphenol Thermometrics (UK) Limited**

### **Notes to the financial statements (continued)**

**For the year ended 31 December 2021**

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

##### ***h. Impairment of assets (continued)***

###### *Financial assets*

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### ***i. Taxation***

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

##### ***j. Turnover***

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

## **Amphenol Thermometrics (UK) Limited**

### **Notes to the financial statements (continued)**

**For the year ended 31 December 2021**

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

##### **k. Employee benefits**

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

##### **l. Foreign currency**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise.

##### **m. Leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

##### **n. Share-based payment**

The Company grants to its employees rights to equity instruments of Amphenol Corporation, its parent company. The required disclosures are therefore included in the Amphenol Corporation consolidated financial statements.

##### **o. 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 Profit and Loss Account in the same period as the related expenditure.

#### **2. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### **Critical judgements in applying the Company's accounting policies**

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

## Amphenol Thermometrics (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2021

#### 2. Critical accounting judgements and key sources of estimation uncertainty (continued)

##### *Revenue recognition*

In making its judgement, management considered the detailed criteria for the recognition of revenue from the sale of goods set out in FRS 102 Section 23 *Revenue* and, in particular, whether the Company had transferred to the buyer the significant risks and rewards of ownership of the goods. The directors are satisfied that the significant risks and rewards have been transferred and that recognition of the revenue in the current year is appropriate.

##### *Key source of estimation uncertainty – impairment of intangible assets*

Determining whether intangible assets are impaired requires an assessment of indicators of impairment and, where necessary, an estimation of their value in use to the Company. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the intangible asset and a suitable discount rate in order to calculate present value.

#### 3. Turnover

All revenues for the period are related to the sale of goods.

An analysis of the Company's turnover by geographical market is set out below.

	2021 £000	2020 £000
<b>Turnover</b>		
United Kingdom	3,695	3,156
Rest of European Union	14,489	13,823
Rest of World	7,172	6,680
	<u>25,356</u>	<u>23,659</u>

#### 4. Income receivable and similar income

	2021 £000	2020 £000
Other interest receivable and similar income	<u>99</u>	<u>126</u>

#### 5. Other operating income

	2021 £000	2020 £000
Government grants receivable	<u>13</u>	<u>154</u>

The Company has been eligible to claim from the government support schemes in response to the Covid- 19 outbreak.

The Company has furloughed some of its staff under the governments Coronavirus Job Retention Scheme (CJRS). The funding received of £13,000 (2020: £154,000) relates to claims made in respect of the year.

## Amphenol Thermometrics (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2021

#### 6. Profit before taxation

Profit before taxation is stated after charging:

	2021 £000	2020 £000
Amortisation of goodwill (note 12)	213	213
Depreciation of tangible fixed assets (note 13)	221	245
Research and development	1,027	1,043
Operating lease rentals	153	156
Foreign exchange loss/(gain)	384	(62)

#### 7. Auditor's remuneration

Fees payable to Dains LLP for the audit of the Company's annual accounts were £25,250 (2020: £24,500).

There were no non-audit services fees payable to Dains LLP or their respective associates in either year.

#### 8. Staff numbers and costs

The average monthly number of employees was:

	2021 Number	2020 Number
Production	90	87
Sales	13	13
Administration	4	4
	107	104

Their aggregate remuneration comprised:

	£000	£000
Wages and salaries	4,438	4,322
Social security costs	441	457
Other pension costs	307	322
	5,187	5,101

#### Defined contribution schemes

The Company operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to profit or loss in the period ended 31 December 2021 was £307,464 (2020: £321,827). There was £955 outstanding contributions (2020: £nil) at the end of the financial year.

#### 9. Directors' remuneration and transactions

All directors' remuneration is reflected in the accounts of Amphenol Corporation. It is not practicable to split their remuneration between their services to group companies.

## Amphenol Thermometrics (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2021

#### 10. Tax on profit

	2021 £000	2020 £000
The tax charge comprises:		
<b>Current tax on profit</b>		
UK corporation tax	1,469	1,041
<b>Total current tax</b>	1,469	1,041
<b>Deferred tax</b>		
Origination and reversal of timing differences	(7)	(8)
Effect of decrease in tax rate	(7)	(1)
<b>Total deferred tax (see note 16)</b>	(14)	(9)
<b>Total tax on profit</b>	1,454	1,032

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	£000	£000
<b>Profit before tax</b>	7,468	5,211
Tax on profit at the standard UK corporation tax rate of 19.00% (2020: 19.00%)	1,419	990
Effects of:		
- Expenses not deductible for tax purposes	42	43
- Tax rate changes	(7)	(1)
- Adjustments to tax charge in respect of previous periods	-	-
<b>Total tax charge for period</b>	1,454	1,032

## Amphenol Thermometrics (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2021

#### 10. Tax on profit (continued)

The rate of tax applied to the reported profit is 19.00% (2020: 19.00%). The rate of tax as introduced in the Finance Bill 2021 will remain unchanged for the financial year 2022.

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since this proposal does not change the current corporation tax rate for the next 12 months, there is no impact on this year's financial statements.

Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

There is no expiry date on timing differences, unused tax losses or tax credits.

#### 11. Share-based payments

The Company grants to certain senior employees rights to equity instruments of Amphenol Corporation, its ultimate parent Company. The required disclosures are therefore included in Amphenol Corporation's consolidated financial statements.

#### 12. Goodwill

	£000
At 1 January 2021 and 31 December 2021	2,982
<b>Amortisation</b>	
At 1 January 2021	2,343
Charge for the year	213
At 31 December 2021	2,556
<b>Net book value</b>	
At 31 December 2021	426
At 31 December 2020	639

The Protimeter and Telaire business, which was purchased in 2013, is considered material to the Company. The carrying amount as at 31 December 2021 was £426,416 (31 December 2020: £639,516) and the goodwill arising has an estimated remaining useful life of two years.

Amortisation of intangible assets is included in administrative expenses.



## Amphenol Thermometrics (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2021

#### 13. Tangible fixed assets

	Short leasehold land and buildings £000	Plant and machinery £000	Total £000
<b>Cost or valuation</b>			
At 1 January 2021	1,100	5910	7,010
Additions	-	91	91
Disposals	-	(553)	(553)
At 31 December 2021	1,100	5,448	6,548
<b>Depreciation</b>			
At 1 January 2021	418	5,059	5,477
Charge for the year	22	199	221
Disposals	-	(553)	(553)
At 31 December 2021	440	4,705	5,145
<b>Net book value</b>			
At 31 December 2020	682	851	1,533
At 31 December 2021	660	743	1,403

#### 14. Stock

	2021 £000	2020 £000
Raw materials and consumables	672	694
Work in progress	607	569
Finished goods and goods for resale	941	818
	2,220	2,081

There is no material difference between the historical cost of stocks and work in progress and their replacement costs

Stock recognised in cost of sales during the year as an expense was £11,075,000 (2020: £11,665,000).

## Amphenol Thermometrics (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2021

#### 15. Debtors

	2021 £000	2020 £000
Amounts falling due within one year:		
Trade debtors	3,411	2,996
VAT	136	137
Amounts owed by group undertakings	35,115	28,326
Prepayments and accrued income	154	97
Corporation tax	-	39
Deferred tax (Note 16)	31	17
	<u>38,847</u>	<u>31,612</u>

Amounts owed by group undertakings include unsecured loans of £34,461,907 (2020: £27,791,655). These are cash pool contributions with interest applied on GBP balances at 3-month Euribor + 300bps payable monthly. The remainder is unsecured and payable within 60 days.

#### 16. Deferred taxation

	2021 £000	2020 £000
Amount at the beginning of the period	17	8
Charge in the period	14	9
	<u>31</u>	<u>17</u>

The asset for deferred tax is made up as follows:

	£000	£000
Depreciation and capital allowances	31	17

Deferred tax assets are recognised because in the opinion of the directors there will be suitable taxable gains available in the foreseeable future. There is no unrecognised deferred tax (2020: nil).

Deferred tax assets and liabilities are offset only where the Company has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the Company.

## Amphenol Thermometrics (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2021

#### 17. Creditors: amounts falling due within one year

	2021 £000	2020 £000
Trade creditors	892	873
Corporation tax	398	-
Other taxation and social security	102	99
Amounts owed to group undertakings	1,525	1,552
Payment received on account	450	-
Accruals and deferred income	395	330
	<u>3,762</u>	<u>2,854</u>

Amounts owed to group undertakings are unsecured and payable within 60 days.

#### 18. Provisions for liabilities

	Product warranties £000
At 1 January 2021	28
Utilised	13
Charged to profit and loss account	(20)
	<u>21</u>
At 31 December 2021	<u>21</u>

##### **Product warranties**

The provision for product warranties relates to expected warranty claims on products sold in the last three years. It is expected that the majority of this expenditure will be incurred in the next financial year.

#### 19. Share capital and reserves

	2021 £000	2020 £000
Allotted, called up and fully paid 12,757,360 (2020: 12,757,360) ordinary shares of £1 each	<u>12,757</u>	<u>12,757</u>

Share consists of one class of £1 shares

Share premium of £5.5M is the excess of payments and the share capital

Profit and loss account represents total profits to date less dividends.

Equity reserve represents the cumulative expense in relation to the share based payments.

## Amphenol Thermometrics (UK) Limited

### Notes to the financial statements (continued)

For the year ended 31 December 2021

#### 20. Financial commitments

Capital commitments as at 31 December 2021 were £304,026 (2020: £nil). These were authorised but not provided in these financial statements as no goods or services had been received.

The Company has a guarantee in favour of HM Revenue & Customs for £12,000 (2020: £12,000).

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021		2020	
	Land and buildings £000	Other £000	Land and buildings £000	Other £000
- within one year	79	67	79	66
- between one and five years	316	68	316	63
- after five years	4,187	-	4,266	-
	<u>4,582</u>	<u>135</u>	<u>4,661</u>	<u>129</u>

Lease obligations greater than five years arise from a 99-year lease on land due to expire in 2079.

#### 21. Controlling party

The company's immediate parent company by virtue of its 100% shareholding in Amphenol Thermometrics (UK) Limited is Amphenol Limited, incorporated in England and Wales.

The company's ultimate parent company and ultimate controlling party is Amphenol Corporation, a company incorporated in the United States of America and listed on the New York Stock Exchange, which is the smallest and largest group of which the company is a member and for which consolidated financial statements are available. Copies of those consolidated financial statements can be obtained from Amphenol Corporation, 358 Hall Avenue, Wallingford, Connecticut, CT06492, USA.