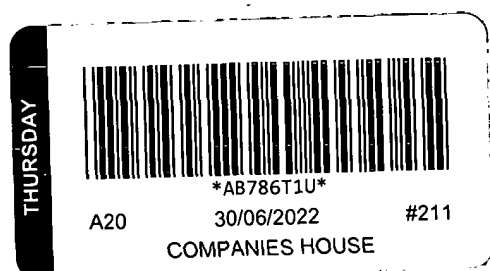


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**SPIRENT HOLDINGS LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**



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## **SPIRENT HOLDINGS LIMITED**

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

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

#### **Results and dividends**

The profit for the year, after taxation, amounted to £10,557,000 (2020 - £10,059,000):

The Directors do not recommend the payment of a final dividend for 2021 (2020 nil).

#### **Directors**

The Directors who served during the year were:

P Bell  
A Iveson

#### **Going concern**

The Company participates in the centralised treasury arrangements of its parent company, Spirent Communications plc. After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Having regard to this intention, the Directors believe it is appropriate to prepare these financial statements on a going concern basis. For further detail on the Directors assessment of going concern please refer to note 1.3.

#### **Qualifying third party indemnity provisions**

The ultimate parent company of Spirent Investment Limited has purchased and maintained throughout the year Directors' and officers' liability insurance in respect of the Company and its Directors.

#### **Disclosure of information to auditor**

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### **Auditor**

The auditor, Carpenter Box, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing the Directors' Report, the Directors have taken advantage of the small companies' exemption under section 415(a) of the Companies Act 2006. The Directors have also taken the exemption under section 414(b) not to prepare a Strategic Report.

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**SPIRENT HOLDINGS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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This report was approved by the board on *24 June 2022* and signed on its behalf.

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P Bell  
Director



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## **SPIRENT HOLDINGS LIMITED**

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### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021**

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The Directors are responsible for preparing the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 judgments 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPIRENT HOLDINGS LIMITED**

### **Opinion**

We have audited the financial statements of Spirent Holdings Limited (the 'Company') for the year ended 31 December 2021, which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity and the related notes, 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 101 'Reduced Disclosure Framework' (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; 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 United Kingdom, including the Financial Reporting Council'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.

### **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPIRENT HOLDINGS LIMITED  
(CONTINUED)**

**Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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 set out on page 3, 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPIRENT HOLDINGS 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 Auditor's 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:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Obtaining an understanding of the legal and regulatory framework that the company operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations;
- Obtaining an understanding of the company's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud;
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud through our knowledge and understanding of the company and our sector-specific experience.

As a result of these procedures, we considered the opportunities and incentives that may exist within the company for fraud. We are also required to perform specific procedures to respond to the risk of management override. As a result of performing the above, we identified compliance with the Companies Act as an area most likely to have an impact on the financial statements.

In addition to the above, our procedures to respond to risks identified included the following:

- Making enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates and valuations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

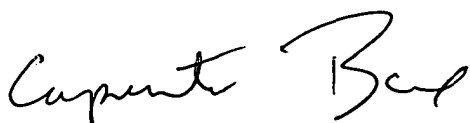
Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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 Auditor's 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPIRENT HOLDINGS LIMITED  
(CONTINUED)



Tony Summers (Senior Statutory Auditor)

for and on behalf of  
**Carpenter Box**

Chartered Accountants  
Statutory Auditor

5 Peveril Court  
6-8 London Road  
Crawley  
West Sussex  
RH10 8JE

Carpenter Box is a trading name of Carpenter Box Limited

Date: 24/6/22



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**SPIRENT HOLDINGS LIMITED**

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**INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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	<b>Note</b>	<b>2021 £000</b>	<b>2020 £000</b>
Income from shares in group undertakings		<b>10,836</b>	<b>10,135</b>
<b>Profit before tax</b>		<b>10,836</b>	<b>10,135</b>
Tax on profit	<b>3</b>	<b>(279)</b>	<b>(76)</b>
<b>Profit for the financial year</b>		<b>10,557</b>	<b>10,059</b>

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

The notes on pages 11 to 15 form part of these financial statements.

**SPIRENT HOLDINGS LIMITED**  
**REGISTERED NUMBER: 03451782**

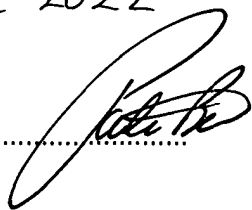
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Investments	4	8,111	8,111
		<u>8,111</u>	<u>8,111</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	46,304	35,747
		<u>46,304</u>	<u>35,747</u>
<b>Total assets less current liabilities</b>		<u>54,415</u>	<u>43,858</u>
<b>Net assets</b>		<u>54,415</u>	<u>43,858</u>
<b>Capital and reserves</b>			
Called up share capital	6	-	-
Share premium account		34,011	34,011
Capital contribution reserve		15,032	15,032
Profit and loss account		5,372	(5,185)
<b>Shareholder's funds</b>		<u>54,415</u>	<u>43,858</u>

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

*24 June 2022*

.....  
**P Bell**  
 Director



The notes on pages 11 to 15 form part of these financial statements.

**SPIRENT HOLDINGS LIMITED**

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

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Capital contribution reserve</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 January 2021	-	34,011	15,032	(5,185)	43,858
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	10,557	10,557
<b>Total comprehensive income for the year</b>	-	-	-	10,557	10,557
<b>At 31 December 2021</b>	-	34,011	15,032	5,372	54,415

The notes on pages 11 to 15 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Capital contribution reserve</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 January 2020	-	34,011	15,032	(15,244)	33,799
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	10,059	10,059
<b>Total comprehensive income for the year</b>	-	-	-	10,059	10,059
<b>At 31 December 2020</b>	-	34,011	15,032	(5,185)	43,858

The notes on pages 11 to 15 form part of these financial statements.

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## **SPIRENT HOLDINGS LIMITED**

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

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

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

Spirent Holdings Limited is a private limited company incorporated and domiciled in England and Wales. The registered office address of the Company is Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD, United Kingdom.

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

The financial statements are presented in pound sterling, which is the Company's functional and presentation currency.

##### **1.2 FRS 101 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

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## **SPIRENT HOLDINGS LIMITED**

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

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

##### **1.3 Going concern**

The Company participates in the centralised treasury arrangements of its parent company, Spirent Communications plc. The financial statements have been prepared on a going concern basis. The Directors have considered relevant information, including the annual budget and forecast future cash flows of the group, and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has not had a significant impact on the company's operations and they have been able to continue to operate throughout.

Based on the assessments made and having regard to the resources available to the entity, the Directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

##### **1.4 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

##### **1.5 Financial instruments**

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

##### **Loans and borrowings**

Loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition loans and borrowings are state at amortised cost using the effective interest method, and in respect of financial assets, less any impairment losses.

##### **1.6 Dividend income**

Dividend income is recognised when the right to receive payment is established.

##### **1.7 Taxation**

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

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

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**SPIRENT HOLDINGS LIMITED**

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

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**2. Operating profit**

Directors' emoluments are not reported in these financial statements because their services are primarily in respect of other Spirent group companies and their emoluments are borne by those group companies.

There are no charges for auditor's remuneration in these financial statements as those expenses are borne by the Company's parent undertaking, Spirent Communications plc.

**3. Taxation**

	2021 £000	2020 £000
<b>Foreign tax</b>		
Foreign tax on income for the year	279	76
<b>Total current tax</b>	<u>279</u>	<u>76</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £000	2020 £000
Profit on ordinary activities before tax	10,836	10,135
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	2,059	1,926
<b>Effects of:</b>		
Foreign tax on income for the year	279	76
Non-taxable income	(2,059)	(1,926)
<b>Total tax charge for the year</b>	<u>279</u>	<u>76</u>

**Factors that may affect future tax charges**

Following the enactment of the United Kingdom Finance Act of 2020, the main corporation tax rate reduction to 17 per cent from April 2020 was cancelled and was set to remain at 19 per cent from 1 April 2020.

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK corporation tax rate to 25 per cent, which is due to be effective from 1 April 2023. These changes were substantively enacted at the balance sheet date.

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## SPIRENT HOLDINGS LIMITED

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

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#### 4. Fixed asset investments

	Investments in subsidiary companies £000
<b>Cost or valuation</b>	
At 1 January 2021	8,111
At 31 December 2021	8,111
<b>Net book value</b>	
At 31 December 2021	8,111
At 31 December 2020	8,111

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Spirent Communications (India) Pvt Limited	India	Ordinary	100%
Spirent Communications GmbH	Germany	Ordinary	100%
Spirent Communications (Asia) Limited	Hong Kong	Ordinary	100%
Spirent Communications Singapore Pte Limited	Singapore	Ordinary	100%
Spirent Communications Japan KK	Japan	Ordinary	100%
Spirent Communications Korea Inc	South Korea	Ordinary	100%
Spirent Technologies GmbH	Germany	Ordinary	100%

The full registered office address is as follows:

Spirent Communications (India) Pvt Limited - 2nd Flr Umiya Business Bay Tower, 1Cessna Business Park, Marathahalli-Sarjapur Ring Road, Kadubeesanahalli, Bangalore 560103 Karnataka. Spirent Communications (Asia) Limited - Suites 1603-05, 16th Floor, 625 King's Road, North Point. Spirent Communications Singapore Pte Limited - 101 Thomson Road, #30-01 United Square, Singapore 307591. Spirent Communications Japan KK- 4th Floor Kyodotsushin Kaikan, 2-2-5, Toranomon, Minato-ku, Tokyo 105-0001. Spirent Communications Korea Inc - (Seocho-dong, Boutique Monaco) R/M 1609, 397 Seocho-daero, Seocho-gu, Seoul 06616. Spirent Technologies GmbH - Michaelkirchstr 17/18, 10179 Berlin

The Group financial statements have not been prepared to 31 December 2021 since the Company was itself a wholly-owned subsidiary of Spirent Communications plc for which group financial statements are prepared. These financial statements present information about the Company as an individual undertaking and not about its group.

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**SPIRENT HOLDINGS LIMITED**

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

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**5. Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Amounts owed by group undertakings	<b>46,304</b>	<b>35,747</b>

**6. Share capital**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Allotted, called up and fully paid</b>		
4 (2020 - 4) Ordinary shares of £1.00 each	-	-

**7. Related party transactions**

As the Company is a wholly owned subsidiary undertaking of Spirent Communications plc, a Company registered in England and Wales, which prepares group financial statements, the Company has taken advantage of the exemption provided under the scope of IAS 24 'Related Party Disclosures' not to include details of transactions with other companies which are subsidiaries of Spirent Communications plc. There are no other related party transactions.

**8. Post balance sheet events**

Subsequent to 31 December 2021, the company received dividends amounting to £1,835,850 and paid dividends amounting to £1,832,750.

**9. Ultimate parent undertaking and controlling party**

The immediate and ultimate parent company of the group of undertakings for which group financial statements are drawn up, and of which the Company is a member, is Spirent Communications plc, registered in England and Wales. Copies of its financial statements can be obtained by writing to Spirent Communications plc, Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD, or by visiting <http://corporate.spirent.com>.