SEI Interconnect Products (Europe) Limited

Directors' report and financial statements

Registered number 03639819

Year ended 31 March 2021

Contents

Strategic Report

The principal activity of the SEI Interconnect Products (Europe) Limited group continues to be the distribution of electronic wire and cable, semiconductors, fine polymer products and the manufacture of cable identification systems and accessories.

The SEI Interconnect Products (Europe) Limited group is owned by Sumitomo Electric Industries (SEI), a public company registered in Japan. The SEI Interconnect Products (Europe) Limited group is responsible for the marketing and sale of electronic wire and cable, semiconductors and fine polymer products, manufactured by SEI group subsidiaries throughout the world to the European market.

Review of business

Revenue for the year under review was € 57,524,707, a decrease of 10.29% compared with the previous year's figure of € 64,121,334. The markets for the majority of the products within the SEI Interconnect Products (Europe) Limited Group portfolio have shown shortfalls against those achieved in the previous year as a result of the economic downturn associated with the Coronavirus pandemic, the exception this this trend being Semiconductors which has shown stability with reference to sales achieved in the previous year. The reduced levels of turnover were an expected result of the pandemic with the uncertainty being the magnitude and duration of the impact of the associated downturn in business. The Group acknowledges these difficult trading conditions will continue during the coming year, however, do anticipate these improving throughout the year, resulting in a continual improving level of sales. It is still uncertain as to when business levels will fully recover to pre pandemic levels, with the Group taking all measures available to improve performance in areas of concern and to bring results back in line with realistic expectations as soon as possible.

The year under review shows a loss before tax of € 148,950 (0.02% of sales) compared to profit of € 584,839 (0.9% of sales) for the year ended 31st March 2020. The impact of the reduced level of sales together with a reasonably consistent cost base has led to a level of business activity where profitability could no longer be achieved. Whilst SEI Interconnect Products (Europe) Limited recorded reduced profitability during the year it was the effect of the severe downturn in the Aerospace market on a subsidiary company that led to the recording of an overall loss for the Group. While the recovery of the business in general is well underway, this recovery is being hampered to some extent by the sluggish recovery of the Aerospace market, which will continue to impact on results for the foreseeable future. The Group will continue to focus on cost control in order to ensure that the company is operating as efficiently as possible and mitigate as best possible the lower levels of profitability associated with the temporary downturn in markets.

Net current assets of the Group were € 3,712,526 compared to € 3,941,908 for the year ended 31st March 2020. This shows a decrease in the value of net current assets of € 229,382 over the previous year. The decrease in net current assets is a result of an overall reduction in all categories of current asset and liabilities balances with the reduction in debtors balances greater than those of creditors to the extent of € 229,382. Cash and net loan balances (due to group undertakings) both showed a reasonable reduction on prior year levels.

COVID 19

The Company is fully aware of the impact COVID-19 has had not only the Global markets but also that of the European market in which the company operates. As at the date of this report, the impact on the business from the start of the Pandemic has been a reduction in sales levels of just over 10% for the year under review and lower than anticipated levels of sales in certain markets relating to the Group business going forward from the date on these accounts.

It is difficult to predict when our market will return to 'normal', however we have seen an improvement in orders received which suggests the markets are beginning to recover and returning to pre pandemic levels with the timing of a full recovery still uncertain. Business is difficult with results to date still being positive, but not at the levels in line with our expectations. Extra safety precautions continue to be implemented for employees to be able to continue work.

Strategic Report *(continued)*

COVID 19 *(Continued)*

Even with the challenge of COVID19 the Group continues to work at extending its market activities to incorporate further products from the Sumitomo Electric Industries portfolio within its European business activities and in particular targeting what it considers to be industry sectors with potential future sustainable growth, i.e. automotive, rail and medical. It is the nature of these industry sectors that the results of marketing activities will not see positive results in respect of actual sales for a number of years, however it is felt that the work in attaining business in these key areas has progressed well during the year, even though progress has been slower than anticipated due to the impact of the Pandemic. As mentioned above, it is understood that with the intervention of COVID19 the benefits of this work are likely to take longer to come to fruition but are considered a necessity for the continued success of the Group.

There has been no real change to the Groups plans for the coming year which continues to be to strengthen the company's existing business by developing this with existing and targeted customers' as well introducing new products and working on long term projects in key business sectors. Again, it is appreciated that with the continued presence of COVID19 this exercise will become more difficult and take longer to achieve. The ultimate goal being as previous years, a well-balanced portfolio of products and customers across all our businesses, providing a strong base for future development and continued growth. The group will continue to focus on cost control in order to ensure that the company is operating as effectively as possible.

Principle risks and uncertainties

The directors believe the principal financial risks facing the group are foreign exchange risk and the potential risk of bad debts.

Foreign currency risk

In order to develop the business sales are made in non-base currencies such as Usd, Stg and Yen. Where it is possible the group will try to optimise natural hedging by the purchase of product for such business in the currency of sale. Where it is not possible to eliminate exposure under this method monthly forward currency contracts are taken out where appropriate to reduce exchange rate fluctuations.

Credit risk

With the difficult financial situation currently being experienced with regards to COVID19 the company appreciates that more than the usual number of companies will be facing financial difficulties with the company taking additional precautions to make sure it mitigates any effects of increased risk of bad debt. The Group rigorously checks the financial strengthen of any new customers as well as regularly monitoring the financial wellbeing of its existing customer base. Strong internal procedures exist to monitor the recoverability of debt in accordance with its terms, while credit risk insurance is in place to cover any possibility of a failure to collect a large debt. The European market, prior to COVID19 was facing difficult trading conditions with the Directors being fully aware of the high level of company failures and have taken every measure to prevent failures affecting the group financial position.

Liquidity and cash flow

The SEI Interconnect Products (Europe) Limited Group has the security of being a wholly owned subsidiary of Sumitomo Electric Industries Ltd, a public company registered in Japan. The holding company plays a very important role in the development of the business by working with European management and continually monitoring all aspects of the company's activities including its financial position and provides adequate funding when required to cover its needs.

Strategic Report *(continued)*

Section 172 Statement

The directors, when making decisions will always act in good faith and in a manner that is in the interest of the overall success of the company and for the benefit of its members as a whole and the stakeholders who interact with and are impacted by our business. This statement sets out how the directors have regard to the matters set out in Section 172 of the Companies Act 2006 whilst undertaking their roles, including, but not limited to the:

a) likely consequences of any decisions in the long term
b) interests of the company's employees
c) need to foster the company's business relationships with suppliers, customers and others.
d) impact of the company's operations on the community and the environment
e) desirability of the company maintaining a reputation for high standards of business conduct and
f) need to act fairly as between members of the company.

In discharging their duties under S172 the directors pay special attention to the above as well as any other factors that are relevant to the decision-making process. The Board fully understands that every decision made will not result in a positive outcome for all relevant stakeholders but strives to ensure that all decisions made are consistent, in line with our strategic direction and with the desire to promote the long-term success of the company.

- **Employees:** The company focuses on people and understands that true success is only achievable through a fully engaged and motivated workforce. It is believed that employees will influence the direction of the business and by supporting and developing their initiatives employees will feel valued through their contribution to the business. Employees are provided with the platform to express their voice, while the company provides regular updates to keep the staff informed of matters of importance.
- **Suppliers, customers and others:** The directors fully understand and acknowledge that the delivering of a reliable service, being responsive to changing customer behaviour and the developing of next generation products underpin the continued success of the business. The engaging with customers in its many forms, the receipt of customer feedback etc allows us to understand our customers view of our business to enable us to modify our behaviours and strengthen our performance to provide the high-quality service our customers should expect. The building of long-term sustainable relationships with suppliers is essential for the accessing of products for the needs of our customers which allows for the smooth running of our business.
- **Community and environment:** The directors recognise the environmental impact of the company's operations and feel it is important to establish and promote green behaviours, i.e., the promoting of the use of electric/hybrid cars, installing charging points on site etc. The company also considers travel between sites and always considers the use of video facilities where possible. The company and employees are always willing to engage with the local communities, charities to successfully support any initiatives.
- **High standards of business conduct:** The directors' intention is to ensure that the company operates in an ethical and responsible manner. It is acknowledged that a healthy corporate culture ensures high standards of business conduct and governance which in turn supports strong business dealings with stakeholders outside the company. Our company is guided by the Sumitomo Spirits with its teachings being fundamental contributors to the long-term success of the company.

  In response to the COVID-19 pandemic the company has worked tirelessly with the key stakeholder groups to ensure safety is always the priority.

By order of the board

D Gillett
Secretary

10 Axis Court
Mallard Way
Riverside Business Park
Swansea
SA7 OAJ

15th March 2022

Directors' Report

Dividends

The directors propose a dividend for the year of €547,151 (2020: €506,000).

R&D Activities

SEI Interconnect Products (Europe) Limited are the Sumitomo Groups sales company in Europe for the Electronics division products. As such, SEI Interconnect Products (Europe) Limited do not engage in R&D activities, with this being undertaken by the Electronics divisions factories in order to establish the next generation of products for sale to the European marketplace.

Financial Instruments

SEI Interconnect Products (Europe) Limited attempt to mitigate any exposure to foreign exchange in their trading activities by taking out monthly forward exchange contracts in the appropriate currencies. Forward contracts are 'settled' at the end of each month with a new monthly contract taken out to reflect an updated trading situation on the date the previous contract was settled. All contracts due for settlement were settled on the 31st March 2021 with only open contracts being those taken out for settlement on 30th April 2021 on the 31st March 2021. SEI Interconnect Products (Europe) Limited have not entered into any other transactions of a financial instrument nature. The fair value of the derivatives entered into as at 31 March 2021 are immaterial, therefore no entries have been made within the financial statements to reflect them.

Policy and practice on payment of creditors

Payments made to the suppliers of product are mainly to SEI group companies and have agreed payment terms. It is SEI Group policy that all payments are made in line with these payment terms. Payments for expense items are paid 30 days end of months, with strict compliance to these terms.

Directors

The directors who served throughout the year were:

Y Miyata
S Konishi

Overseas branches

SEI Interconnect Products (Europe) Limited had overseas branches located in France, Germany, Italy, and Hungary throughout the year.

Political and charitable donations

The company made a charitable donation of £ Nil in the year (2020: £Nil).

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 on page 1.

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

Directors' Report *(continued)*

Going Concern *(continued)*

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through its funding from its fellow subsidiary company, Sumitomo Electric Finance Limited and in downside cases, funding from its ultimate parent company Sumitomo Electric Industries Ltd, to meet its liabilities as they fall due for that period.

In preparing these forecasts, the Directors have considered a severe but plausible scenario of a continuation of the impact of COVID-19 on the Group. The key assumptions used in this scenario included a further period of lockdown equivalent to that seen in spring 2020; and despite recent results showing the start of a recovery to pre-COVID levels of trading, no growth over that seen in the year to 31 March 2021.

Those forecasts are dependent on Sumitomo Electric Industries Ltd providing financial support during that period. Sumitomo Electric Industries Ltd has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Disclosure of information to the auditor

The directors who held office at the date of approval of the Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps he ought to have taken as a Director to make himself aware of any relevant audit information and to establish the company's auditor is aware of this information.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Environmental Policy

Energy Efficiency Actions

The company recognises the environmental impact of its operations and remains committed to promoting activities and behaviours to reduce this impact. With regards to energy generated through business mileage, the company policy states that only employees with a minimum business mileage of 10,000 miles per annum are entitled to a company car. This policy ensures that company cars are kept to a minimum, thereby reducing emissions as far as possible. The company also operates a cycle to work scheme which promotes the well -being aspect as well as the use of non-emission transport.

Smart meters have been installed to improve the monitoring of electricity and gas usage. Employees are encouraged to consider their daily activities in terms of the environmental policy and adopt a system of continuous review and improvement in line with the company's objectives. A target has also been set to replace existing lights with LED to further improve energy efficiency.

Directors' Report *(continued)*

Streamlined Energy and Carbon Reporting

	2021
Energy Use from UK Operations	
Combustion of Natural Gas	5,621
Electricity Consumed	3,100
Combustion of fuel in company vehicles	24,804
Total kWh Scope 1 + Scope 2 Activities	**33,525**
Greenhouse Gas Emissions	
Scope 1 Activities	6,102
Scope 2 Activities	1,688
Total CO_2 emissions	**7,790**
Intensity Ratio (Scopes 1 & 2)	
Emissions per €'000 of turnover	**1.34**

Intensity Metric

We have chosen the turnover of the UK based operations during the year as this allows comparable measurement of our principal activities.

Methodology

A market-based calculation of CO2 equivalent emissions was made using energy data collected from energy suppliers. Energy and carbon from transport were modelled using an average UK vehicle.
Emissions factors used were 2021 UK Government conversion factors for company reporting.

D Gillett
Secretary

D. Gillett

10 Axis Court
Mallard Way
Riverside Business Park
Swansea
SA7 OAJ

15th March 2022

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS102 *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 group and the parent company and of their profit or loss for that year. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

KPMG

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SEI INTERCONNECT PRODUCTS (EUROPE) LIMITED

Opinion

We have audited the financial statements of SEI Interconnect Products (Europe) Limited ("the Company") for the year ended 31 March 2021 which comprise the Consolidated Profit and Loss Account and Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2021 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SEI INTERCONNECT PRODUCTS (EUROPE) LIMITED *(continued)*

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Group's high-level policies and procedures to prevent and detect, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets for management and directors.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that the Group and component management may be in a position to make inappropriate accounting entries; and
- the risk that revenue is overstated through recording revenues in the wrong period.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of some of the Group-wide fraud risk management controls.

We also performed procedures including:

- Assessing if revenue recorded in the cut-off period is recorded in the correct period based on when the supply of goods was undertaken.
- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals posted to unusual account combinations.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery, employment law, regulatory capital and liquidity, recognising the financial and regulated nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SEI INTERCONNECT PRODUCTS (EUROPE) LIMITED *(continued)*

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SEI INTERCONNECT PRODUCTS (EUROPE) LIMITED *(continued)*

Directors' responsibilities

As explained more fully in their statement set out on page 7, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent 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 they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Jeremy Thomas

Jeremy Thomas (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
3 Assembly Square
Britannia Quay
Cardiff
CF10 4AX

16 March 2022

Consolidated Profit and Loss Account and Other Comprehensive Income

for the year ended 31 March 2021

	Note	2021 €	2020 €
Turnover	2	**57,524,707**	64,121,334
Cost of sales		**(52,028,316)**	(56,757,861)
Gross profit		**5,496,391**	7,363,473
Administrative expenses		**(5,712,976)**	(6,911,428)
Other operating income		**70,985**	46,149
Group operating (loss)/profit		**(145,600)**	498,194
Share of operating profit in associates		**31,588**	54,114
Total operating (loss)/profit		**(114,012)**	552,308
Interest receivable and similar income	6	**26,789**	70,716
Interest payable and similar expenses	7	**(61,727)**	(38,185)
(Loss)/Profit before taxation	2-7	**(148,950)**	584,839
Tax on (loss)/profit	8	**(104,382)**	(436,129)
(Loss)/Profit after taxation		**(253,332)**	148,710
Other comprehensive income			
Foreign exchange differences on translation of subsidiary undertaking		**35,772**	(56,944)
Total comprehensive income for the year		**(217,560)**	91,766

The notes on pages 17 to 34 form an integral part of these financial statements.

Consolidated Balance Sheet
at 31 March 2021

	Note	**2021 €**	**2021 €**	2020 €	2020 €
Fixed assets					
Intangible assets					
Goodwill	*9*		**2,624,282**		3,042,644
Tangible assets	*10*		**490,387**		572,060
Investments	*11*				
Investments in associates		**245,014**		239,157	
Other investments		**38,000**		38,000	
			283,014		277,157
			3,397,683		3,891,861
Current assets					
Stocks	*12*	**3,613,751**		4,813,137	
Debtors	*13*	**13,472,883**		14,230,135	
Cash at bank and in hand		**810,929**		1,369,217	
		17,897,563		20,412,489	
Creditors: amounts falling due within one year	*14*	**(14,185,037)**		(16,470,581)	
Net current assets			**3,712,526**		3,941,908
Creditors: amounts falling due after one year			**-**		-
Total assets less total liabilities being net assets			**7,110,209**		7,833,769
Capital and reserves					
Called up share capital	*16*		**4,215,900**		4,215,900
Profit and loss account			**2,894,309**		3,617,869
Shareholders' funds			**7,110,209**		7,833,769

The notes on pages 17 to 34 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 15th March 2022 and were signed on its behalf by:

S Konishi
Director
K. Konishi

Company registered number: 03639819

Company Balance Sheet
at 31 March 2021

	Note	2021 €	2021 €	2020 €	2020 €
Fixed assets					
Intangible assets					
Goodwill	*9*		792,693		917,854
Tangible assets	*10*		130,485		107,701
Investments	*11*		5,742,186		5,742,186
			6,665,364		6,767,741
Current assets					
Stocks	*12*	2,559,104		3,363,413	
Debtors	*13*	13,318,872		13,969,323	
Cash at bank and in hand		677,589		913,536	
		16,555,565		18,246,272	
Creditors: amounts falling due within one year	*14*	(13,573,280)		(15,596,187)	
Net current assets			2,982,285		2,650,085
Total assets less current liabilities being net assets			9,647,649		9,417,826
Capital and reserves					
Called up share capital	*16*		4,215,900		4,215,900
Profit and loss account			5,431,749		5,201,926
Shareholders' funds			9,647,649		9,417,826

The notes on pages 17 to 34 form an integral part of these financial statements.

These financial statements were approved by the board of directors on 15th March 2022 and were signed on its behalf by:

K Konishi

S Konishi
Director

Company registered number: 03639819

Consolidated Statement of Changes in Equity
for the year ended 31 March 2021

	Called up share capital	Profit and loss account	Total equity
	€	€	€
Balance at 1 April 2019	4,215,900	4,066,103	8,282,003
Total comprehensive income for financial year			
Profit for the year	-	148,710	148,710
Other comprehensive income:			
Foreign exchange differences on translation of subsidiary undertakings	-	(56,944)	(56,944)
Total comprehensive income for the year	-	91,766	91,766
Dividends	-	(540,000)	(540,000)
Balance at 31 March 2020	**4,215,900**	**3,617,869**	**7,833,769**
Balance at 1 April 2020	4,215,900	3,617,869	7,833,769
Total comprehensive income for financial year			
(Loss) for the year	-	(253,332)	(253,332)
Other comprehensive income:			
Foreign exchange differences on translation of subsidiary undertakings	-	35,772	35,772
Total comprehensive income for the year	-	(217,560)	(217,560)
Transactions with owners, recorded directly in equity			
Dividends	-	(506,000)	(506,000)
Balance at 31 March 2021	**4,215,900**	**2,894,309**	**7,110,209**

The notes on pages 17 to 34 form an integral part of these financial statements.

Company Statement of Changes in Equity

for the year ended 31 March 2021

	Called up share capital	Profit and loss account	Total equity
	€	€	€
Balance at 1 April 2019	4,215,900	5,119,504	9,335,404
Total comprehensive income for financial year			
Profit for year	-	82,422	82,422
Balance at 31 March 2020	**4,215,900**	**5,201,926**	**9,417,826**
Balance at 1 April 2020	4,215,900	5,201,926	9,417,826
Total comprehensive income for financial year			
Profit for year	-	735,823	735,823
Dividends	-	(506,000)	(506,000)
Balance at 31 March 2021	**4,215,900**	**5,431,749**	**9,647,649**

The notes on pages 17 to 34 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

SEI Interconnect Products (Europe) Limited is a company limited by shares and incorporated and domiciled in England & Wales in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102') as issued in August 2014. The presentation currency of these financial statements is Euro.

The Company's ultimate parent undertaking, Sumitomo Electric Industries Ltd, includes the Company in its consolidated financial statements. The consolidated financial statements of Sumitomo Electric Industries Ltd are available to the public and may be obtained from Sumitomo Electric Industries Ltd, 4-5-33, Kitahama, Chuo-ku, Osaka, Japan. In these financial statements, the company is considered to be a qualifying entity for the purpose of this FRS and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated statements of Sumitomo Electric Industries include the relevant disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instruments in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of schedule 1.

The accounting policies set out below have, unless otherwise been stated, then applied consistently to all periods presented in these financial statements.

1.1 Measurement Convention

The financial statements are prepared on the historic cost basis, except for derivative financial instruments which are stated at their fair value.

Notes *(continued)*

1.2 Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on page 1.

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Group will have sufficient funds, which includes its facilities provided by its fellow subsidiary company, Sumitomo Electric Finance Limited, to meet its liabilities as they fall due for that period.

In preparing these forecasts, the Directors have considered a severe but plausible scenario of a continuation of the impact of COVID-19 on the Group. The key assumptions used in this scenario include a further period of lockdown equivalent to that seen during 2021; with no growth forecast for the coming period and trading and profitability remaining at levels achieved in the year to March 2021 and the post year end period.

Those forecasts are dependent on the parent company, Sumitomo Electric Industries Ltd, continuing to provide financial support during that period in the form of access, at the existing levels, to the Group cash pooling facility, as administered by the Sumitomo group's finance company, Sumitomo Electric Finance Limited. Sumitomo Electric Industries Ltd has indicated its intention to continue to make available such funds via the existing cash pooling facility as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continuc to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31st March 2021. A subsidiary is an entity that is controlled by the parent. An associate is an entity in which the Group has significant influence, but not control, over the operating and financial policies of the entity. Significance influence is presumed to exists when the investors holds between 20% and 50% of the equity voting rights. Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

Notes *(continued)*

1 Accounting policies *(continued)*

1.4 Foreign Currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

The assets and the liabilities of non-Euro subsidiary undertakings and associated undertakings are translated at the closing exchange rates. The revenues and expenses of such undertakings are consolidated at the average rates of exchange during the year. Gains and losses arising on these translations are taken to profit and loss, except on consolidation where they are taken to other comprehensive income, net of exchange differences arising on related foreign currency borrowings (see note 1.6).

In the group consolidation accounts only, exchange differences arising on the retranslation of foreign currency borrowing used to finance or provide a hedge against equity investments in foreign enterprises are taken to the Statement of changes in equity.

1.5 Basic financial instruments

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost less any impairment losses in the case of trade debtors.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Investments in preference and ordinary shares

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognised in profit or loss. Other investments are measured at cost less impairment in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash balance at the bank and cash in hand.

1.6 Other financial instruments

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except for hedging instruments in a designated hedging relationship which are recognised as set out below.

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on the re-measurement to fair value is recognised immediately in the profit and loss.

Notes *(continued)*

1 Accounting policies *(continued)*

***1.6 Other financial instruments** (continued)*

Cumulative exchange differences recognised in other comprehensive income relating to a hedge of a net investment in a foreign operation shall not be reclassified to profit or loss on disposal or partial disposal of that foreign operation.

1.7 Tangible Fixed Assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation of tangible fixed assets is charged to the profit and loss account on a straight line basis over their estimated useful economic lives as follows:

Plant & machinery	5 to 7 years
Fixtures & fittings	3 to 5 years
Motor vehicles	4 to 5 years

Depreciation methods, useful lives and residual values are reviewed if there is any significant change since the last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefit.

1.8 Business Combinations

On the acquisition of a business, including an interest in an associated undertaking, fair values are attributed to the Company's share of separable assets and liabilities acquired. Where the costs of acquisition exceeds the values attributable to such assets and liabilities, the difference is treated as purchased goodwill and capitalised within fixed assets.

The profit or loss on the disposal of a previously acquired business includes the attributable amount of any purchased goodwill relating to that business.

1.9 Intangible Assets

Goodwill

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment loss. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

Amortisation

Amortisation is charged to the profit and loss on a straight line basis over the estimated useful lives of the intangible asset. Intangible assets are amortised from the date they are available for use. The estimated useful lives are:

Goodwill *15 years*

Goodwill is amortised on a straight line basis over its useful life. Goodwill has no residual value. The finite useful life is estimated to be 15 years as acquisitions prior to these have been amortised over their expected useful lives of 15 to 20 years with the company still benefiting from the cash flows of the acquisitions.

1.10 Stocks

Stocks are valued at the lower of cost or net realisable value. Cost is determined on a 'first in first out' basis. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the cost of realisation and, where appropriate, the cost of conversion from their existing state to a finished condition.

1 Accounting policies *(continued)*

1.11 Pensions

Retirement benefits to employees are funded by the company and employees. Defined contributions are made to individual pension funds which are financially separate from the company and these are charged to the profit and loss account as incurred.

1.12 Provisions

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

1.13 Expenditure

Operating Leases

Payments made under operating leases are recognised in the profit and loss account on a straight-line over the term of the lease.

Finance Leases

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using a rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.14 Taxation

Tax on the profit and loss for the year comprises current and deferred tax. Tax is recognised directly in the profit and loss account.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year using tax rates enacted or substantively enacted at the balance sheet date, and any adjustments to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain changes are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related differences, using tax rates enacted or substantially enacted at the balance sheet date. Deferred tax balances are not discounted.

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

1.15 Turnover

Turnover represents the amounts (excluding any value added tax) derived from the provision of goods and services to customers. Income is recognised when the risk of ownership passes to the customer, i.e. when goods or services are delivered to the customer.

1.16 Related Party Transactions

The company has taken advantage of the exemption under Financial Reporting Standard 102 Section 33.1A from the requirement to disclose transactions entered into between two more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Notes *(continued)*

2 Analysis of turnover

All turnover is derived from one class of business. Turnover is split geographically as follows:

	Year ended 31 March 2021 €	Year ended 31 March 2020 €
Europe	**53,152,351**	58,763,546
South America	**5,503**	147,644
North America	**317,196**	152,722
Asia	**412,550**	590,710
Africa	**3,637,107**	4,466,712
	57,524,707	64,121,334

3 Notes to the profit and loss account

	2021 €	2020 €
(Loss)/Profit before taxation is stated after charging/(crediting)		
Amounts receivable by the auditors and their associates in respect of:		
- audit of these financial statements	**58,048**	42,954
- audit of the financial statements of subsidiaries of the Company	**25,973**	26,097
- tax compliance	**58,853**	62,342
- other tax advisory services	**8,700**	20,663
- all other services	**10,122**	50,099
Depreciation	**205,390**	198,587
Amortisation of goodwill	**418,362**	419,256
Operating lease rentals		
- Land and buildings	**336,708**	337,392
- other	**68,340**	94,707
Operating lease income		
Loss/(Profit) on disposal of assets	**-**	2,599

4 Remuneration of directors

	2021 €	2020 €
Directors' emoluments	**136,164**	140,040

Notes *(continued)*

5 Staff numbers and costs

The average number of persons employed by the Group (including directors) during the period was as follows:

	Number of employees	
	2021	2020
Distribution/office staff	**69**	73
Manufacturing	**25**	24
	94	97

	2021	2020
	€	€
Wages and salaries	**3,972,055**	4,271,735
Social security costs	**555,071**	534,888
Other pension costs (note 19)	**107,159**	103,906
	4,634,285	4,910,529

6 Interest receivable and similar income

	2021	2020
	€	€
On bank accounts	**26,789**	34,324
Net Exchange gain	**-**	36,392
	26,789	70,716

7 Interest payable and similar expenses

	2021	2020
	€	€
On loans from group companies	**22,436**	38,185
Net exchange loss	**39,291**	-
	61,727	38,185

Notes *(continued)*

8 Taxation

Analysis of charge in period

	2021		2020	
	€	€	€	€
UK corporation tax				
Current tax on income for the period	**166,830**		207,394	
Double tax relief	**(166,830)**		(200,325)	
Adjustments in respect of prior periods	**(6,944)**		20,881	
		(6,944)		27,950
Foreign tax				
Current tax on income for the period	**167,208**		406,781	
Adjustments in respect of prior periods	**-**		-	
Share of associate's current tax	**6,188**		10,139	
		173,396		416,920
Total current tax		**166,452**		444,870
Deferred tax (see note 15)				
Origination/reversal of timing differences	**(17,443)**		(35,135)	
Prior year adjustments	**(44,627)**		26,394	
Total deferred tax movement		**(62,070)**		(8,741)
Tax on profit		**104,382**		436,129

Factors affecting the tax charge for the current period

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

	2021	2020
	€	€
(Loss)/profit before tax	**(148,950)**	584,839
Profit multiplied by the standard rate of corporation tax in the UK of 19% *(2020: 19%)*	**(28,301)**	111,119
Effects of		
Expenses not allowable for tax purposes	**87,248**	83,239
Non taxable income	**(5,330)**	-
Unrecognised deferred tax assets/(liabilities)	**103,994**	(8,783)
Different tax rates applied in overseas tax jurisdictions	**(1,658)**	203,278
Adjustment in respect of prior periods	**(51,571)**	47,275
Total tax charge for the period	**104,382**	436,129

Notes *(continued)*

8 Taxation *(continued)*

Factors that may affect future current and total tax charges

The deferred tax asset recognised by the Group at 31 March 2021 of €76,178 (2020: €14,130) relates to timing differences primarily consisting of tax losses carried forward and accelerated depreciation. These are recognised to the extent that the realisation of the related tax benefit through future taxable profits from the same trade is probable.

The Group has unused trading losses at 31 March 2021 of approximately €678,000 (2020: €96,000). A deferred tax asset of approximately €109,000 (2020: €nil) has not been recognised in respect of these tax losses due to uncertainty in respect of their recoverability.

Finance (No.2) Bill 2016, which was substantively enacted in September 2016, included legislation to reduce the main rate of corporation tax from 20% to 19% from 1 April 2017 with a further reduction to 17% from 1 April 2020. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020.

The deferred tax assets and liabilities at 31 March 2021 have been calculated based on the rate of 19% (2020: 19%) substantively enacted at the balance sheet date.

In the March 2021 Budget it was announced that the main rate of corporation tax will increase to 25% from 1 April 2023, and this change was substantively enacted on 24 May 2021. If this change had been substantively enacted at the balance sheet date, the deferred tax assets recognised and not recognised by the Group at 31 March 2021 would have increased by approximately €24,000 and €34,000 respectively.

9 Intangible fixed assets

Group	**Goodwill**
	€
Cost	
At beginning of year	6,763,243
At end of year	6,763,243
Amortisation and impairment	
At beginning of year	3,720,599
Charged in year	418,362
At end of year	4,138,961
Net book value	
At 31 March 2021	**2,624,282**
At 31 March 2020	3,042,644

Notes *(continued)*

9 Intangible fixed assets *(continued)*

Company	**Goodwill**
	€
Cost	
At beginning of year	2,365,233
At end of year	2,365,233
Amortisation and impairment	
At beginning of year	1,447,379
Charged in year	125,161
At end of year	1,572,540
Net book value	
At 31 March 2021	**792,693**
At 31 March 2020	917,854

The directors consider each acquisition separately for the purpose of determining the amortisation period of any goodwill that arises. The following sets out the periods over which goodwill is amortised based on the estimated useful life of the goodwill:

Group only

- Goodwill arising on purchase of Heinrich Thulesius GmbH & Co. KG by the SEI Interconnect Products (Europe) Limited (German branch) in 2013 is amortised over 15 years.
- Goodwill arising on purchase of SEI Identification Solutions Limited (formally Siegrist - Orel Limited) by SEI Interconnect Products (Europe) Limited in 2013 is amortised over 15 years.

Group and Company

- Goodwill arising on purchase of the Sumitomo Electric Schrumpft Produckte GmbH sales business by the SEI Interconnect Products (Europe) Limited (German branch) in 2013 is amortised over 15 years.
- Goodwill arising on purchase of the flat flexible cable business from SEI Interconnect Products (UK) Limited in 1998 was amortised over 20 years and is now fully amortised.
- Goodwill arising on purchase of the German branch from Sumitomo Electric Europe Limited in 1998 was amortised over 15 years and is now fully amortised.

Notes *(continued)*

10 Tangible fixed assets

Group	Motor Vehicles	Plant and machinery	Fixtures, fittings, tools and equipment	Total
	€	€	€	€
Cost				
At beginning of year	289,181	731,898	1,021,454	2,042,533
Additions	63,581	19,095	31,419	114,095
Disposals	-	-	(2,440)	(2,440)
Foreign exchange adjustment	-	29,403	14,626	44,029
At end of year	352,762	780,396	1,065,059	2,198,217
Depreciation				
At beginning of year	156,685	514,384	799,404	1,470,473
Charge for year	52,496	52,601	100,293	205,390
On disposals	-	-	(2,440)	(2,440)
Exchange adjustment	-	22,676	11,731	34,407
At end of year	209,181	589,661	908,988	1,707,830
Net book value				
At 31 March 2021	**143,581**	**190,735**	**156,071**	**490,387**
At 31 March 2020	132,496	217,514	222,050	572,060

Company	Motor Vehicles	Plant and Machinery	Fixtures, fittings, tools and equipment	Total
	€	€	€	€
Cost				
At beginning of year	101,190	277,901	634,627	1,013,718
Additions	63,581	-	16,029	79,610
Disposals	-	-	(2,440)	(2,440)
At end of year	164,771	277,901	648,216	1,090,888
Depreciation				
At beginning of year	50,435	277,901	577,681	906,017
Charge for year	28,960	-	27,866	56,826
On disposals	-	-	(2,440)	(2,440)
At end of year	79,395	277,901	603,107	960,403
Net book value				
At 31 March 2021	**85,376**	-	**45,109**	**130,485**
At 31 March 2020	50,755	-	56,946	107,701

Notes *(continued)*

11 Fixed asset investments

Group	Interests in associated undertakings €	Other investments €	Total €
Cost			
At beginning of year	56,243	38,000	94,243
Foreign exchange adjustment	2,319	-	2,319
At end of year	58,562	38,000	96,562
Share of post-acquisition reserves			
At beginning of year	182,914	-	182,914
Retained profits less losses	31,588	-	31,588
Dividends Paid	(28,050)		(28,050)
At end of year	186,452	-	186,452
Net book value			
At 31 March 2021	**245,014**	**38,000**	**283,014**
At 31 March 2020	239,157	38,000	277,157

Company	Shares in group undertakings €	Other investments €	Total €
Cost			
At beginning of year	5,704,186	38,000	5,742,186
At end of year	5,704,186	38,000	5,742,186
Net book value			
At 31 March 2021	5,704,186	38,000	5,742,186
At 31 March 2020	5,704,186	38,000	5,742,186

Notes *(continued)*

11 Fixed asset investments *(continued)*

	Registered Office	Principal Activity	Class and percentage of shares held	
Subsidiary undertakings			**Group**	**Company**
SEI Identification Solutions Limited	Pysons Road Industrial Estate, Broadstairs, Kent, CT10 2LQ UK	Manufacture of cable identification systems and accessories	100% of Ordinary share capital	100% of Ordinary share capital
Heinrich Thulesius GmbH & Co. KG	Zum Panrepel 15, 28307 Bremen, Germany	Distribution of wire and cable	General and Limited partner	Limited partner with rights to 100% of profits
Thulesius Beteiligungsgesellschaft GmbH	Zum Panrepel 15 28307 Bremen, Germany	Holding company (general partner in Heinrich Thulesius)	100% of Ordinary share capital	100% of Ordinary share capital
Associated undertakings				
Silpro Extrusions Limited*	Pysons Road Industrial Estate, Broadstairs, Kent, CT10 2LQ UK	Manufacture of cable identification products, systems and accessories	50% of Ordinary share capital	-

**shares owned by SEI Identification Solutions Limited*

Associates and joint ventures

The total of the Group's profit before taxation from interests in associates was €63,176 *(2020: €54,114)*.

12 Stocks

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Finished goods and goods for resale	**3,286,931**	4,211,652	**2,536,036**	3,336,312
Work in progress	**23,068**	27,101	**23,068**	27,101
Raw Materials	**303,752**	574,384	-	-
	3,613,751	4,813,137	**2,559,104**	3,363,413

13 Debtors

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Trade debtors	**10,498,559**	11,707,409	**10,034,652**	11,114,050
Amounts owed by group undertakings	**2,020,233**	1,427,704	**2,020,233**	1,427,704
Amounts owed by undertakings in which the Company has a participating interest	-	-	**349,900**	539,814
Value added tax	**64,681**	434,053	**188,092**	496,588
Other debtors	**278,263**	333,636	**145,594**	214,973
Prepayments and accrued income	**264,663**	313,203	**182,271**	170,265
Deferred Tax Asset (note 15)	**76,178**	14,130	**76,178**	5,929
Corporation Tax	**270,306**	-	**321,952**	-
	13,472,883	14,230,135	**13,318,872**	13,969,323

Notes *(continued)*

14 Creditors: amounts falling due within one year

	Group		Company	
	2021	2020	**2021**	2020
	€	€	**€**	€
Trade creditors	**602,796**	1,284,341	**432,066**	862,015
Amounts owed to group undertakings	**12,541,466**	13,416,238	**12,270,339**	13,199,341
Corporation tax	**-**	828,568	**-**	829,229
Other taxes and social security	**65,499**	123,175	**33,997**	65,930
Other creditors	**51,817**	56,801	**22,096**	26,354
Accruals and deferred income	**923,459**	761,458	**814,782**	613,318
	14,185,037	16,470,581	**13,573,280**	15,596,187

The loans from group undertakings within the Company and Group were made up of Euro and Usd and were subject to a varying interest rate per annum between 0.33% and 0.39% and have no fixed repayment date. The amounts owed to group undertakings contains an amount of €2,171,293 *(2020: €3,617,848)* due to Sumitomo Electric Finance UK Limited relating to a cash pooling facility, and is re-payable on demand. These cash pooling balances are subject to a varying interest rate per annum between 0.33% and 0.39%.

15 Deferred taxation

	Group	**Company**
	€	**€**
Deferred tax (asset)/liability at 1 April 2020	(14,130)	(5,929)
(Credit)/Charge to the profit and loss account	(17,443)	(20,005)
Adjustments in respect of prior periods	(44,626)	(50,244)
Exchange rate movements	21	-
Asset at 31 March 2021	**(76,178)**	(76,178)

Notes *(continued)*

15 Deferred taxation *(continued)*

The elements of deferred taxation are as follows:

Group	**31 March 2021 (Asset)/liability €**	31 March 2020 (Asset)/liability €
Difference between accumulated depreciation and amortisation and capital allowances	**38,734**	(11,277)
Tax losses	**20,307**	23,852
Pensions and other timing differences	**17,137**	1,555
	76,178	14,130

Company		
Difference between accumulated depreciation and amortisation and capital allowances	**38,734**	4,374
Tax losses	**20,307**	23,852
Pensions and other timing differences	**17,137**	1,555
	76,178	5,929

16 Share capital and reserves

	31 March 2021 £	31 March 2020 £
Allotted, called up and fully paid		
3,000,000 ordinary shares of £1 each	**3,000,000**	3,000,000

The Euro equivalent of the issued share capital at the commencement of trading amounted to €4,215,900 (2020: €4,215,900).

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Within the profit and loss account reserves balance there is an amount of € 308,197 relating to foreign exchange differences on the translation of subsidiary balances (2020: €264,944)

Notes *(continued)*

18 Operating leases

Non-cancellable operating lease rentals are payable as follows:

Group	**2021** **€**	2020 €
Less than one year	**355,016**	384,472
Between one and five years	**137,438**	270,441
More than five years	**-**	-
	492,454	654,913

Company	**2021** **€**	2020 €
Less than one year	**236,045**	255,657
Between one and five years	**72,661**	141,913
More than five years	**-**	-
	308,706	397,570

During the year, €405,049 *(2020: €432,099)* was recognised as an expense.

19 Pension scheme

Defined contribution pension scheme

The Group operates a defined contribution pension scheme within the UK only. The pension cost charge for the period represents contributions payable by the Group to the scheme and amounted to €107,159 *(2020: €103,906)*.

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

Notes *(continued)*

20 Related party disclosures

SEI Interconnect Products (Europe) Limited is a subsidiary of Sumitomo Electric Industries Ltd, a company incorporated in Japan.

The largest group in which the results of the company are consolidated is that headed by Sumitomo Electric Industries Ltd. The consolidated financial statements of Sumitomo Electric Industries Ltd are available to the public and can be obtained from Sumitomo Electric Industries Ltd, 4-5-33, Kitahama, Chuo-ku, Osaka, Japan.

During the period, the company had the following transactions with related parties which are not wholly owned.

	Relationship	Transaction	31 March 2021 Transaction Value	31 March 2021 Balance at due (to)/from related party	31 March 2020 Transaction Value	31 March 2020 Balance at due (to)/from related party
			€	**€**	**€**	**€**
Silpro Extrusions Ltd	Associate	Service fee billed to associate	**1,860**	**1,941**	54,123	3,595
Silpro Extrusions Ltd	Associate	Purchase of goods from associate	**75,091**	**(11,752)**	106,866	(19,294)

There were no amounts written off during the period or doubtful debts at the end in relation to related parties.

21 Ultimate parent company and parent undertaking of larger group

The ultimate parent Company is Sumitomo Electric Industries Ltd, a company incorporated in Japan. Copies of the group accounts are available to the public and can be obtained from Sumitomo Electric Industries Ltd, 4-5-33, Kitahama, Chuo-ku, Osaka, Japan.

22 Accounting estimates and judgements

Key sources of estimation uncertainty

There are no significant areas of estimation uncertainty that may cause material adjustment to the carrying values of assets or liabilities within the next financial year to the group or company's accounts, other than the estimates set out below.

Critical accounting estimates in applying the group/company's accounting policies

Provisions over stock and trade debtors

The group and company have made provisions against the book value of stock and trade debtors. These provisions at 31 March 2021 were group €946,316 (*2020: €769,344*) and company €500,112 (*2020: €518,800*). These provisions are reviewed regularly and adjustments made as required.

Goodwill and Investments

The group and company have considered the necessity to make any provisions against the recoverability of any investments or goodwill held at historic cost values in these financial statements and consider any such provisions are not required as the future benefits deriving from the use of these assets are in excess of their current historic cost values. The company has considered the forecast of the businesses in which it holds investments and the sensitivity of these forecasts with reference to achievement of expected sales, discount rates applied to these calculations and are satisfied any future benefits are in excess of the investments values shown.

Notes *(continued)*

22 Accounting estimates and judgements *(continued)*

In the preparation of the above forecasts the company has had to make a number of assumptions on which the results are dependent. The main assumption is the estimate of future revenues, which have been based on historical data, the discussing of anticipated future business levels with customers as well as the timing of the return of key markets currently experiencing difficulties with reference to COVID 19 to previous levels. In the case of major customers confirmation of future business levels has been attained where possible and sensitivities have been applied to consider the impact of not achieving these forecasts sales volumes.

It is anticipated that the operating costs of all companies will remain at current levels, increasing with the RPI where appropriate and flexed as required for any additional business needs. The above flows have been discounted at 7%, which is the SEI Group's weighted average cost of capital adjusted as necessary to reflect any additional risk profile of the company.