

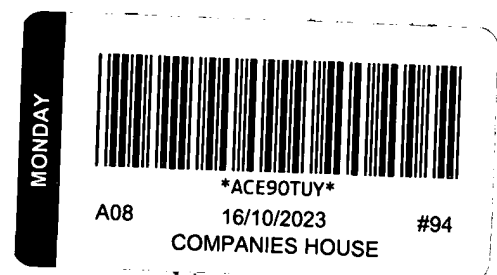
Registered number: 04198380

**Cablescan Limited**

**Directors' Report and Financial Statements**

**For the Year Ended 31 December 2022**

**DAINS**



## **Cablescaan Limited**

### **Company Information**

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<b>Directors</b>	C A Lampo R A Norwitt
<b>Company secretary</b>	L E D'Amico
<b>Registered number</b>	04198380
<b>Registered office</b>	Thanet Way Tankerton Whitstable Kent CT5 3JF
<b>Independent auditor</b>	Dains Audit Limited 15 Colmore Row Birmingham B2 2BH

**Cablescan Limited**

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## **Cablescon Limited**

### **Strategic Report For the Year Ended 31 December 2022**

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#### **Principal activity**

The principal activity of Cablescon Limited (the "Company") is the manufacture of defence, aerospace and high complexity electrical wiring harnesses and control panels

#### **Business review**

During the year turnover decreased from £11.1m to £7.5m and operating profit decreased from £2.9m to £0.7m.

As industry returns to pre-pandemic levels of activities, our priority was to development our relationships with strategic customers that will provide sustainable growth for the future years. There was increased focus on diversification, and it is exciting to report we are engaged with a number of new Blue-Chip customers. A key area of our strategy is to promote our capability across all areas of these organisations.

The war in Ukraine that started during the year was unexpected and had the potential to destabilise the post COVID recovery. However, one year on from the start of the war we have seen no negative impact on our business. European countries are now reviewing their defence capabilities and equipment, and the year witnessed the restart of budgeting and defence spending.

The Company started the year experiencing significant delays in our supply chain. This issue is also impacting some customer programmes which were being delayed or slowed down.

During the year the Company maintained our ISO 9001, Cyber essentials PLUS, AS 9100, IPC and J-STD certifications. The Company also progressed with certification to ISO 14001 Environmental Management, and National VG approval.

#### **Principal risks and uncertainties**

As the Company approached the end of the year the value of the open order book was impacted due to some programme delays. These delays resulted in the drop in revenues and profits reported for this financial year. The business took the necessary actions to control inventory and cash.

To minimise any risk to the business the management focus continues to be on diversification into other sectors, to date we have made significant progress in entering active European defence spending markets and complex box and panel builds, which will feature heavily in our future 2023 revenue.

There is now a need for more stringent management of levels of inventory. There is a balance between managing increased supplier lead times and holding inventory to minimise the impact on our customer programs and our delivery performance. The business continues to work closely with strategic suppliers and with our colleagues within the Amphenol organisation.

The Company's principal financial instruments comprise bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance to ensure the continuity of funding. All of the Company's cash balances are held in such a way that achieves a competitive rate of interest.

Trade debtors are managed in respect of credit and cash flow risks by policies concerning the credit offered to customers and regular monitoring of the amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Exposure to the volatility of the foreign currency exchange rates is monitored and reviewed by management to ensure that this is minimised where possible. The war in Ukraine continues to impact markets. Foreign exchange markets are expected to settle and increase stabilisation within the supply chain. Where possible product pricing in foreign currencies is protected through appropriate contractual amendments.

## **Cablescon Limited**

### **Strategic Report (continued) For the Year Ended 31 December 2022**

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#### **Financial key performance indicators**

To ensure that the Company can align and react to changes in today's environment the following indicators are reported on a weekly basis.

- Value of customer purchase orders received
- Stock and WIP
- Sales and OI forecast
- Sales
- OI

#### **Other key performance indicators**

The company utilises KPI's reporting software. The principal focus is on Customer satisfaction, RFP volume and success rate, orders received, internal efficiency, internal deviations and delivery performance. These are supported by a number of secondary indicators which can be reviewed when required.

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

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

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

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

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

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

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

Focusing on the needs of our customers is critical to the success of our business. We maintain a high degree of customer interaction in order to anticipate and understand the future needs of our customers and their consumers, building on our years of experience in delivering to our markets. We collaborate and innovate with our customers to improve product performance and value to the consumer.

##### ***Supply chain partners***

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

##### ***Shareholders and lenders***

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

**Cablescan Limited**

**Strategic Report (continued)  
For the Year Ended 31 December 2022**

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*Governing bodies and regulators*

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

*Communities*

We are committed to building positive relations with the communities in which we operate.

*Culture*

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

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

This report was approved by the board on 11 September 2023 and signed on its behalf..



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**C A Lampo**  
Director

## **Cablescon Limited**

### **Directors' Report For the Year Ended 31 December 2022**

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The directors present their report and the financial statements for the year ended 31 December 2022.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £578,830 (2021 - £2,316,601).

Interim dividends of £5,000,000 were paid during the year (2021 - £Nil).

#### **Directors**

The directors who served during the year were:

C A Lampo  
R A Norwitt

#### **Principal risks and uncertainties**

Details of the principal risks and uncertainties can be found in the Strategic Report and form part of this report by cross-reference.

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

Since 2018 the Company has employed the services of an external H & S consultant who works with the management team to ensure all regulatory requirements and best practice are adhered to. During the year we have no incidents to report.

#### **Future developments**

Details of the future developments of the Company can be found in the Strategic Report and form part of this report by cross-reference.

#### **Engagement with employees**

The Company's management team has an open-door policy.

Dependant on levels of confidentiality, issues affecting employees, process improvement or changes to the business as a whole are communicated with feedback invited.

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

To ensure that we maintain healthy relationships with our business partners, at the start of each year the Company sets out a programme of visits to all key customers and suppliers.

#### **Disabled employees**

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

**Cablescan Limited**

**Directors' Report (continued)**  
**For the Year Ended 31 December 2022**

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

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

	2022	2021
Emissions resulting from activities for which the Company is responsible involving the combustion of gas or consumption of fuel for the purposes of transport and from the purchase of the electricity by the Company for its own use, including the purposes of transport (in tonnes of CO <sub>2</sub> equivalent)	96.8	135
Intensity ratio	0.01453196	0.02026667
Energy consumed from activities for which the Company is responsible involving the combustion of gas, or the consumption of fuel for the purposes of transport, and the annual quantity of energy consumed resulting from the purchase of electricity by the Company for its own use, including for the purposes of transport, in kWh	555,150	608,000

Energy consumption was taken from meter readings for electricity and gas in kWh.

The Company's effective ratio is 0.01453196 (2021 - 0.02026667), calculated by taking the total tonnes of CO<sub>2</sub>e produced and dividing by the total square foot of the factory.

**Directors' responsibilities statement**

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 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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.



**Cablescan Limited**

**Directors' Report (continued)  
For the Year Ended 31 December 2022**

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**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.

**Post balance sheet events**

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

**Auditor**

The directors, having been notified of the cessation of the partnership known as Dains LLP, resolved that Dains Audit Limited be appointed as successor auditor with effect from 31 December 2022. The auditors, Dains Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 11 September 2023 and signed on its behalf.



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**C A Lampo**  
Director

## **Cablescan Limited**

### **Independent Auditor's Report to the Members of Cablescan Limited**

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#### **Opinion**

We have audited the financial statements of Cablescan Limited (the 'Company') for the year ended 31 December 2022, which comprise the profit and loss account, the statement of comprehensive income, 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 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.

**Cablescaan Limited**

**Independent Auditor's Report to the Members of Cablescaan Limited (continued)**

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

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

In the light of 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 Strategic Report or the Directors' Report.

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

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

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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 Cablescaan Limited (continued)

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**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:

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

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

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

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

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

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

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

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

**Cablescaan Limited**

**Independent Auditor's Report to the Members of Cablescaan Limited (continued)**

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**Auditor's responsibilities for the audit of the financial statements (continued)**

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

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



**Mark Hargate FCA (Senior Statutory Auditor)**

for and on behalf of  
**Dains Audit Limited**

Statutory Auditor  
Chartered Accountants

Birmingham

Date: 11 September 2023

**Cablescon Limited**

**Profit and Loss Account  
For the Year Ended 31 December 2022**

	Note	2022 £	2021 £
Turnover	4	7,513,961	11,111,257
Cost of sales		(5,564,313)	(7,025,094)
<b>Gross profit</b>		<b>1,949,648</b>	<b>4,086,163</b>
Administrative expenses		(1,248,266)	(1,228,032)
<b>Operating profit</b>	5	<b>701,382</b>	<b>2,858,131</b>
Interest receivable and similar income	9	15,581	15,195
<b>Profit before tax</b>		<b>716,963</b>	<b>2,873,326</b>
Tax on profit	10	(138,133)	(556,725)
<b>Profit for the financial year</b>		<b>578,830</b>	<b>2,316,601</b>

The notes on pages 15 to 27 form part of these financial statements.

**Cablescaan Limited**

**Statement of Comprehensive Income  
For the Year Ended 31 December 2022**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b>578,830</b>	<b>2,316,601</b>
Other comprehensive income		
Total comprehensive income for the year	<b>578,830</b>	<b>2,316,601</b>


The notes on pages 15 to 27 form part of these financial statements.

**Cablesca Limited**  
**Registered number: 04198380**

**Balance Sheet**  
**As at 31 December 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Fixed assets</b>			
Tangible assets	12	55,527	113,899
<b>Current assets</b>			
Stocks	13	2,283,191	2,880,994
Debtors: amounts falling due within one year	14	2,708,515	6,684,660
Cash at bank and in hand	15	167,645	252,751
		<u>5,159,351</u>	<u>9,818,405</u>
Creditors: amounts falling due within one year	16	(658,740)	(947,147)
<b>Net current assets</b>		<u>4,500,611</u>	<u>8,871,258</u>
<b>Total assets less current liabilities</b>		<u>4,556,138</u>	<u>8,985,157</u>
<b>Provisions for liabilities</b>			
Deferred tax	17	(2,934)	(10,783)
<b>Net assets</b>		<u><u>4,553,204</u></u>	<u><u>8,974,374</u></u>
<b>Capital and reserves</b>			
Called up share capital	18	200	200
Profit and loss account	19	4,553,004	8,974,174
		<u><u>4,553,204</u></u>	<u><u>8,974,374</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11 September 2023.

  
**C A Lampo**  
 Director

The notes on pages 15 to 27 form part of these financial statements.



**Cablescaan Limited**

**Statement of Changes in Equity  
For the Year Ended 31 December 2022**

	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 January 2021</b>	<b>200</b>	<b>6,657,573</b>	<b>6,657,773</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,316,601	2,316,601
<b>At 1 January 2022</b>	<b>200</b>	<b>8,974,174</b>	<b>8,974,374</b>
<b>Comprehensive income for the year</b>			
Profit for the year	-	578,830	578,830
<b>Contributions by and distributions to owners</b>			
Dividends: Equity capital	-	(5,000,000)	(5,000,000)
<b>At 31 December 2022</b>	<b>200</b>	<b>4,553,004</b>	<b>4,553,204</b>

The notes on pages 15 to 27 form part of these financial statements.

## **Cablescon Limited**

### **Notes to the Financial Statements For the Year Ended 31 December 2022**

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#### **1. General information**

*Cablescon Limited is private Company limited by shares and incorporated in England and Wales. The registered office is detailed on the Company information page of these financial statements. The principal activity of the Company continued to be the manufacture of high performance electrical cable assemblies and control panels for aerospace, defence and commercial applications.*

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in the Company's functional currency of GBP (Sterling). They are prepared to the nearest £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### **2.2 Financial Reporting Standard 102 - reduced disclosure exemptions**

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Amphenol Corporation as at 31 December 2022 and these financial statements may be obtained from 358 Hall Avenue, Wallingford, Connecticut, CT 06492, USA.

**2. Accounting policies (continued)**

**2.3 Going concern**

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The Directors' and Strategic Reports further describes the financial position of the Company; its liquidity position; its financial risk management objectives; and its exposure to credit risk and liquidity risk.

The directors have prepared cashflow forecasts and projections, which show that the Company can operate within the level of its current facility.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of these financial statements. Thus they have concluded that it is reasonable to continue to prepare the financial statements on a going concern basis.

**2.4 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

**2.5 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

**Sale of goods**

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**2. Accounting policies (continued)**

**2.6 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**2.7 Interest income**

Interest income is recognised in the Profit and Loss Account using the effective interest method.

**2.8 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.9 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

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

**2. Accounting policies (continued)**

**2.10 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	-	2% Straight line
Plant and machinery	-	25% Straight line
Fixtures and fittings	-	25% Straight line
Office equipment	-	25% Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.11 Stocks**

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

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

**2.12 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.13 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2. Accounting policies (continued)**

**2.14 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.15 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

**2.16 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**2.17 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.18 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**Notes to the Financial Statements**  
**For the Year Ended 31 December 2022**

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**3. Judgements in applying accounting policies and key sources of estimation uncertainty**

In the application of the Company's accounting policies, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

**Stock Adjustments**

Some contracts include an element of materials pre-paid for by the customer which are used within cable assembly. Management's judgement is required to estimate the split of stock owned by Cablescon and the customer. Using amounts purchased, invoiced and used, as well as sales margins, management have arrived at a figure that they deem to be reasonable.

A provision for slow moving stock is updated on a rolling-12 month basis.

**Depreciation and residual values**

Management have reviewed the asset lives and associated residual values of all fixed asset classes, and in particular plant and machinery, and have concluded that asset lives and residuals are appropriate.

**Impairment of debtors**

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considered factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

**4. Turnover**

The whole of the turnover is attributable to the principal activity of the Company.

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	6,957,761	10,842,266
Rest of Europe	402,469	121,811
Rest of the world	153,731	147,180
	<u>7,513,961</u>	<u>11,111,257</u>

**Cablescon Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

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**5. Operating profit**

The operating profit is stated after charging:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	<b>74,828</b>	75,891
Operating lease rentals	<b>158,811</b>	143,735
Defined contribution pension cost	<b>34,523</b>	36,559
	<b><u>268,162</u></b>	<b><u>256,185</u></b>

**6. Auditor's remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<b>17,000</b>	16,500
	<b><u>17,000</u></b>	<b><u>16,500</u></b>
<b>Fees payable to the Company's auditor in respect of:</b>		
Preparation of financial statements	<b>1,550</b>	1,500
	<b><u>1,550</u></b>	<b><u>1,500</u></b>



**Cablescan Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

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**7. Employees**

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	1,711,930	1,935,490
Social security costs	146,564	173,186
Cost of defined contribution scheme	34,523	36,559
	<u>1,893,017</u>	<u>2,145,235</u>

The average monthly number of employees, excluding the directors, during the year was as follows:

	2022 No.	2021 No.
Direct	48	48
Indirect	23	23
Administration	3	3
	<u>74</u>	<u>74</u>

**8. Directors' remuneration**

Currently appointed directors' remuneration is reflected in the financial statements of Amphenol Corporation. It is not practical to split their remuneration between services to group companies.

**9. Interest receivable and similar income**

	2022 £	2021 £
Interest receivable from group companies	15,581	15,192
Other interest receivable	-	3
	<u>15,581</u>	<u>15,195</u>

**Cablescan Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**10. Taxation**

	2022 £	2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	145,982	574,725
<b>Total current tax</b>	<u>145,982</u>	<u>574,725</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(7,849)	(18,000)
<b>Total deferred tax</b>	<u>(7,849)</u>	<u>(18,000)</u>
<b>Taxation on profit</b>	<u>138,133</u>	<u>556,725</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit before tax	716,963	2,873,326
Profit multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	136,223	545,932
<b>Effects of:</b>		
Expenses not deductible for tax purposes	57	-
Other timing differences	1,853	10,793
<b>Total tax charge for the year</b>	<u>138,133</u>	<u>556,725</u>

**Factors that may affect future tax charges**

In the Spring Budget 2021, the government announced that from 1 April 2023 the headline corporation tax rate will increase to 25%. The proposal to increase the rate to 25% had been substantively enacted at the Company's balance sheet date, therefore its effects have been included in these financial statements.

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

**Cablescan Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

**11. Dividends**

	2022 £	2021 £
Equity dividends paid £25,000 per share (2021 - £nil per share)	5,000,000	-
	<u>5,000,000</u>	<u>-</u>

**12. Tangible fixed assets**

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>					
At 1 January 2022	11,767	443,387	16,842	102,701	574,697
Additions	-	13,106	727	2,623	16,456
At 31 December 2022	<u>11,767</u>	<u>456,493</u>	<u>17,569</u>	<u>105,324</u>	<u>591,153</u>
<b>Depreciation</b>					
At 1 January 2022	11,766	353,277	9,231	86,524	460,798
Charge for the year	-	63,224	2,418	9,186	74,828
At 31 December 2022	<u>11,766</u>	<u>416,501</u>	<u>11,649</u>	<u>95,710</u>	<u>535,626</u>
<b>Net book value</b>					
At 31 December 2022	<u>1</u>	<u>39,992</u>	<u>5,920</u>	<u>9,614</u>	<u>55,527</u>
At 31 December 2021	<u>1</u>	<u>90,110</u>	<u>7,611</u>	<u>16,177</u>	<u>113,899</u>

**13. Stocks**

	2022 £	2021 £
Raw materials and consumables	1,518,998	1,947,293
Work in progress	764,193	933,701
	<u>2,283,191</u>	<u>2,880,994</u>

**Cablescon Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

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**14. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	1,949,952	1,650,430
Amounts owed by group undertakings	702,164	4,974,977
Other debtors	1,528	26,607
Prepayments and accrued income	54,871	32,646
	<u>2,708,515</u>	<u>6,684,660</u>

**15. Cash and cash equivalents**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	167,645	252,751
	<u>167,645</u>	<u>252,751</u>

**16. Creditors: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	405,033	455,425
Amounts owed to group undertakings	15,105	75,387
Corporation tax	8,333	46,351
Other taxation and social security	95,574	162,506
Other creditors	26,756	19,845
Accruals and deferred income	107,939	187,633
	<u>658,740</u>	<u>947,147</u>

**Cablescaan Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

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**17. Deferred taxation**

	2021 £	2020 £
At beginning of year	(10,783)	(28,783)
Credited to profit or loss	7,849	18,000
At end of year	<u>(2,934)</u>	<u>(10,783)</u>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(7,777)	(13,937)
Pension	4,843	3,154
	<u>(2,934)</u>	<u>(10,783)</u>

**18. Share capital**

	2022 £	2021 £
Allotted, called up and fully paid		
100 (2021 - 100) Ordinary shares of £1.00 each	100	100
100 (2021 - 100) B Ordinary shares of £1.00 each	100	100
	<u>200</u>	<u>200</u>

Each ordinary share has equal dividend and voting rights.

Each B ordinary share is entitled to dividends only as decided by the main ordinary shareholders.

**19. Reserves**

**Profit and loss account**

The profit and loss reserve represents cumulative profits and losses, net of dividends paid and other adjustments.

**Cablescon Limited**

**Notes to the Financial Statements  
For the Year Ended 31 December 2022**

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**20. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £34,523 (2021 - £36,559). Contributions totalling £19,373 (2021 - £16,601) were payable to the fund at the balance sheet date and are included in creditors.

**21. Commitments under operating leases**

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	260,900	124,258
Later than 1 year and not later than 5 years	738,260	540,340
Later than 5 years	89,639	209,158
	<u>1,088,799</u>	<u>873,756</u>

**22. Related party transactions**

In accordance with Section 33 of Financial Reporting Standard 102, transactions with other group undertakings of Amphenol Corporation, a Company incorporated in the United States of America, have not been disclosed in the financial statements as the Company is a wholly owned subsidiary of a parent entity publishing group financial statements.

**23. Controlling party**

At 31 December 2022, the immediate parent undertaking is Amphenol Limited, a Company incorporated in England and registered in England and Wales. Copies of the financial statements for Amphenol Limited can be obtained from its registered office, Thanet Way, Tankerton, Whitstable, Kent, CT5 3JF.

At 31 December 2022, the ultimate parent undertaking is Amphenol Corporation, a Company incorporated in the United States of America and listed on the New York Stock Exchange.

The parent undertaking of the smallest and largest group of which the Company is a member, to consolidate their financial statements is Amphenol Corporation. Copies of these financial statements can be obtained from 358 Hall Avenue, Wallingford, Connecticut, CT 06492, USA.

At 31 December 2022, the Directors considered the ultimate controlling party to be Amphenol Corporation.