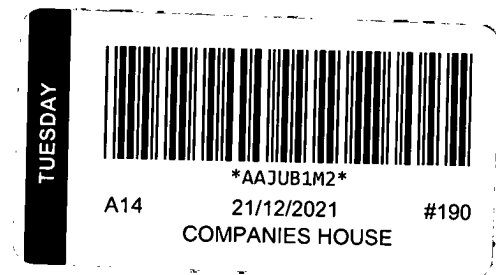


Company registration no. 01559880

FCI Connectors UK Limited

Financial statements

For the year ended 31 December 2020



Company information

Directors	C A Lampo R A Norwitt L E D'Amico
Secretary	D G C Lim
Company number	01559880
Registered office	The Pinnacle 160 Midsummer Boulevard Milton Keynes MK9 1FF
Auditor	Mazars LLP The Pinnacle 160 Midsummer Boulevard Milton Keynes MK9 1FF
Bankers	BNP Paribas 10 Harewood Avenue London NW1 6AA

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Directors' Report

For the year ended 31 December 2020

The Directors presents their Annual Report and the financial statements for the year ended 31 December 2020.

Principal activity

FCI Connectors UK Limited continued to act as representative agent for FCI Deutschland GmbH to negotiate and promote the sale of products of the ELX division within FCI (mainly connectors used by telecom, data, medical and industrial markets). The powers of FCI Connectors UK Ltd as a representative are limited. In particular, it is a non-exclusive agent; it cannot bind FCI Deutschland GmbH towards third parties; it does not receive payments on behalf of FCI Deutschland GmbH.

Review of business

Revenues of FCI Connectors UK Ltd are only derived from the recharge of costs to other entities of the FCI group. Therefore external factors have limited impact on the results of the Company.

Trade and other receivables amounted at the end of December to £155k (2019: £16k), of which £154k (2019: £7k) related to group undertakings.

Trade and other payables amounted to £34k (2019: £30k), of which £6k (2019: £Nil) corresponded to trade payables and £28k (2019: £30k) corresponded to accrued expenses and deferred income.

No dividends have been proposed this year (2019: £Nil).

Future developments

There are no current plans to make any changes to the trading activity of the Company.

Impact of Brexit

The Directors' do not anticipate Brexit having a significant impact on the trade of the Company.

Directors

The following Directors held office from 1 January 2020 to date unless otherwise stated:

C A Lampo
R A Norwitt
L E D'Amico

Directors' responsibilities statement

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and applicable law. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and

Directors' Report (continued)

For the year ended 31 December 2020

Directors' responsibilities statement (continued)

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors 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.

Subsidiary undertakings

The subsidiary undertakings held by the Company at the balance sheet date are listed in note 11 to the financial statements. Consolidated accounts are not presented as the Company has taken advantage of the exemption afforded by Section 401 of the Companies Act 2006.

Statement of disclosure to the auditor

The Directors have taken all the necessary steps to make themselves aware, as the Directors, of any relevant information and to establish that the auditor is aware of that information.

As far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware.

Auditor

A resolution to reappoint Mazars LLP as auditor to the Company and to authorise the Directors to agree this resolution will be proposed at the forthcoming Annual General Meeting.

Statement for small companies

The Director's report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption provided by s414B(b) of the Companies Act 2006.

Post balance-sheet events

Since January 2020, the COVID-19 outbreak has spread rapidly across many regions around the globe. Measures taken by various governments to contain the virus have (negatively) affected economic activities. Given the Company's current business model, business activities and cash position it is expected that the consequences of the COVID-19 outbreak will have minor impact and therefore the Going concern of the Company is not at risk due to COVID-19.

Going concern

The Directors consider, after having received a letter of support from the parent undertaking, that they have no intention to liquidate the Company, and hence have prepared the financial statements on the going concern basis.

Research and development activities

The Company did not engage in any activities relating to research and development during the year.

On behalf of the Directors



R A Norwitt

Director

Date: November 30, 2021

Independent Auditor's Report

For the year ended 31 December 2020

Opinion

We have audited the financial statements of FCI Connectors UK Limited (the 'Company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, Statement of changes in Equity, Statement of Financial Position, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006.

In our opinion, the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended; and
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's 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 entity'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.

Independent Auditor's Report

For the year ended 31 December 2020 (continued)

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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

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

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 and 2, 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

For the year ended 31 December 2020 (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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. Based on our understanding of the Company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and international accounting standards in conformity with the Companies Act 2006.

We evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions and revenue recognition on the cut off assertion.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

Independent Auditor's Report

For the year ended 31 December 2020 (continued)

Our audit procedures in relation to fraud through revenue recognition specific to cut-off included, but were not limited to:

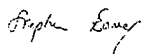
- Performing a calculation of the expected revenue based on the service agreement in place; and
- Reviewing revenue entries one month pre and post year end to ensure these have been recognised in the correct period.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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. This description forms part of our auditor's report.

Use of the audit 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.



Stephen Eames (Senior Statutory Auditor) for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Date: Dec 17, 2021

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2020

	Notes	2020 £'000	2019 £'000
Revenue	6	156	6
Administrative expenses		(122)	(87)
Operating Profit/(Loss)	7	<u>34</u>	<u>(81)</u>
Finance income	9	-	-
Finance costs	9/15	<u>(26)</u>	<u>(59)</u>
		<u>(26)</u>	<u>(59)</u>
Profit/(Loss) before tax		<u>8</u>	<u>(140)</u>
Corporation tax	10	-	-
Profit/(Loss) for the year		<u>8</u>	<u>(140)</u>
TOTAL COMPREHENSIVE INCOME			
Profit/(Loss) for the year attributable to equity holders		8	(140)
Actuarial (losses)/gains	15	<u>(309)</u>	<u>715</u>
Total comprehensive (expense)/income		<u>(301)</u>	<u>575</u>

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2020

	Share capital £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2019	29,800	(29,776)	24
Loss for the year	-	(140)	(140)
Other comprehensive income	-	715	715
Balance at 1 January 2020	<u>29,800</u>	<u>(29,201)</u>	<u>599</u>
Profit for the year	-	8	8
Other comprehensive expense	-	(309)	(309)
Balance at 31 December 2020	<u>29,800</u>	<u>(29,502)</u>	<u>298</u>

The accompanying notes are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

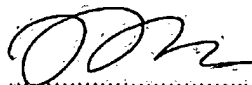
at 31 December 2020

Company registration no. 01559880

	Notes	2020 £'000	2019 £'000
ASSETS			
Non-current assets			
Investments	11	-	-
Current assets			
Trade and other receivables	12	155	16
Cash and cash equivalents	13	1,980	2,075
		<u>2,135</u>	<u>2,091</u>
Total assets		<u>2,135</u>	<u>2,091</u>
LIABILITIES			
Current liabilities			
Trade and other payables	14	34	30
Current tax liabilities		-	-
		<u>34</u>	<u>30</u>
Non-current liabilities			
Retirement benefit obligations	15	1,653	1,462
Intercompany loan	20	150	-
		<u>1,803</u>	<u>1,462</u>
Total liabilities		<u>1,837</u>	<u>1,492</u>
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	17	29,800	29,800
Retained earnings	17	(29,502)	(29,201)
		<u>298</u>	<u>599</u>
Total equity		<u>298</u>	<u>599</u>
Total equity and liabilities		<u>2,135</u>	<u>2,091</u>

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

The financial statements were approved and authorised for issue by the Directors on November 30, 2021 and signed on their behalf by:



R A Norwitt
Director

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

for the year ended 31 December 2020

	Notes	2020 £'000	2019 £'000
Cash flows from operating activities			
Profit/(loss) before tax for the year		8	(140)
Adjustments added back:			
- interest income	9	-	-
- interest expense	9	26	59
Changes in working capital:			
- trade and other receivables	12	(139)	24
- trade and other payables	14	4	14
- intercompany	20	150	-
- retirement benefit obligation	15	(118)	(85)
Cash generated from operations		(69)	(128)
Interest paid	9	(26)	(59)
Corporation tax (paid) / received		-	-
Net cash generated from / (used in) operating activities		(95)	(187)
Cash flows from investing activities			
Net cash from investing activities		-	-
Cash flows from financing activities			
Net cash from financing activities		-	-
Net (decrease) in cash and cash equivalents		(95)	(187)
Cash and cash equivalents at the beginning of the year		2,075	2,262
Cash and cash equivalents at the end of the year	13	1,980	2,075

The accompanying notes are an integral part of these financial statements.

Notes to the financial statements

for the year ended 31 December 2020

1. General information

FCI Connectors UK Limited (the 'Company') is a private limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company information page. The nature of the Company's operations and its principal activities are set out in the Directors' report.

The financial statements are presented in Pounds Sterling (£), the currency in which the majority of the Company's transactions are denominated, and rounded to the nearest Pound.

2. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

These financial statements contain information about FCI Connectors UK Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemption from preparing consolidated accounts afforded by Section 401 of the Companies Act 2006 because the ultimate parent company, Amphenol Corporation, a publicly listed company incorporated and listed in the USA, prepares consolidated accounts that are publicly available and comply with US GAAP.

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

Notes to the financial statements

for the year ended 31 December 2020 (continued)

2. Accounting policies (continued)

Impact of new international reporting standards and interpretations

New standards

At the date of authorisation of these financial statements, the group has applied the following new and revised IFRS that have been issued and are effective, and there have been no material impacts on the group or Company's financial statements as a result of adoption.

	Effective date periods beginning on or after
Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies – Changes in Accounting Estimates and Errors: Definition of material.	1 January 2020
Conceptual Framework: Amendments to references to the conceptual framework in IFRS standards.	1 January 2020
IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures: Amendments arising from the Interest Rate Benchmark Reform – Phase 1	1 January 2020
IFRS 3 Business Combinations: Amendments in relation to the definition of a business.	1 January 2020

Future standards

At the date of authorisation of these financial statements, the group has not applied the following new and revised IFRS that have been issued but are not yet effective and (in some cases) had not yet been adopted by the EU:

	Effective date periods beginning on or after
FRS 101 Amendment: 2020/21 cycle – Disclosure exemption from IAS 16.	1 January 2022
FRS 101 Reduced Disclosure Framework: Prohibiting insurers to apply FRS 101 when IFRS 17 becomes effective	1 January 2023

Notes to the financial statements

for the year ended 31 December 2020 (continued)

2. Accounting policies (continued)

Going concern

We believe that the Company will continue as a going concern driven by the following.

- As of October 31, 2021, the Company has sufficient cash balance amounting to £157,000 and £1,450,000 intracompany receivable from the group cash pooling which will be used to finance its operations and pay its obligations. This is sufficient to meet the yearly minimum cash out-flow (not more than £250,000 per year) of the Company, whereby the yearly cash payments relate to administrative expenses and pension cost/plan obligations.
- The Company receives a letter of support from FCI 's-Hertogenbosch B.V., its immediate parent company, in which they indicated that they are prepared to provide financial support to enable the Company to continue for at least twelve months from the date of signing the financial statements.

Considering the facts and circumstances above, we believe that the impact of the COVID-19 virus will not have a material adverse effect on our financial condition or liquidity. The financial statements have been prepared on a going concern basis.

Financial instruments

Financial assets and liabilities are recognised on the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument and financial assets are accounted for at trade date. The net book amount less impairment provision of trade receivables and payables are assumed to approximate their fair values.

Investments

Fixed asset investments are stated at cost less provision for impairment. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the Statement of Comprehensive Income.

Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the Statement of Comprehensive Income.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Trade payables

Trade payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds, net of tax.

Notes to the financial statements

for the year ended 31 December 2020 (continued)

2. Accounting policies (continued)

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the Statement of Financial Position date, taking into account the risks and uncertainties surrounding the obligation.

Foreign currency translation

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates on the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue represents invoiced sales of goods, net of irrecoverable sales tax and trade discounts of goods sold and services provided to customers.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities. Revenue from sales goods is recorded at the time of delivery. Services are recorded as they are delivered.

Interest revenue is accrued on a time basis, by reference to the principal amount outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to its carrying amount.

Current and deferred tax

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the Statement of Financial Position date in the country where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The charge for taxation is based on the result for the year and takes into account deferred taxation.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax base used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Notes to the financial statements

for the year ended 31 December 2020 (continued)

2. Accounting policies (continued)

Employee benefits

Pension obligations

The Company operates a defined benefit plan and defined contribution pension scheme.

Defined contribution pension scheme

The assets of which are held independently of the Company. Contributions are charged to the Statement of Comprehensive Income in the year to which they relate.

Defined benefit pension scheme

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependant on one or more factors, such as age, years of service and compensation.

The Company has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current or prior periods.

The liability recognised in the Statement of Financial Position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets, together with adjustments for past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are recognised in full in the period in which they occur.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

3. Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company does not use derivative financial instruments to hedge these risk exposures.

Market risk

(i) Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro and the US dollars. Foreign exchange risk arises when commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

(ii) Interest rate risk

The Company is exposed to interest rate risk arising principally on cash balances held which are at variable rates of interest.

Interest rate risk is managed by holding cash balances with group companies in order to maximise interest revenue.

Notes to the financial statements

for the year ended 31 December 2020 (continued)

3. Financial risk management (continued)

(iii) Credit risk

Credit risk is the risk that a counter-party will cause a financial loss to the Company by failing to discharge its obligation to the Company.

The Company's income is however generated through a cost plus agreement with other companies within the FCI Group and therefore this means that the Company is exposed to minimum levels of credit risk.

(iv) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

The Company has continued support from immediate holding company, FCI 's-Hertogenbosch B.V, in order to meet its liabilities as they fall due.

4. Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Judgments:

The directors' do not believe there are any material judgments in the financial statements.

Estimates:

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Those estimates which could have a material impact on the financial statements in the next 12 months are as follows:

Pensions

The Company operates a defined benefit pension scheme. The cost of providing benefits under the defined scheme is determined using the projected unit credit method which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligations) and is based on actuarial advice. When a settlement or curtailment occurs the change in the present value of the scheme liabilities and the fair value of the plan assets reflects the gain or loss which is recognised in the Statement of Comprehensive Income during the period in which it occurs. For the carrying value of the defined benefit pension obligation, please see note 15.

5. Operating segmental information

Management has determined that there is only one operating segment based on the reports reviewed by the Directors that are used to make strategic decisions.

The management reviews the business from a geographical perspective. Revenue represents income receivable from group companies relating to activities wholly in the UK, based upon its one contract to provide services to the parent entity.

The management assesses the performance of this operating segment based on revenues. They also assess the impact on the operating profit of non-trading expenses such as the defined benefit pension scheme and lease adjustments.

Notes to the financial statements

for the year ended 31 December 2020 (continued)

All assets and liabilities relate to the one operating segment and are therefore reviewed as such. Management do not therefore consider it necessary to disclose further details to that already in the notes to the financial statements.

Interest income and interest expense are not allocated to segments as there is only one operating segment.

5. Operating segmental information (continued)

The table set out below shows the analysis of the operating segment relating to the activities wholly in the UK:

	2020 £'000	2019 £'000
Revenue	156	6
Operating profit/(loss)	34	(81)
Total assets	2,135	2,091
Total liabilities	1,837	1,492

6. Revenue

An analysis of the Company's revenue is as follows:

	2020 £'000	2019 £'000
Sales of services		
Continuing operations	156	6

100% of the revenue has arisen from other group companies which are disclosed in note 20 (2019: 100%).

7. Operating profit

	2020 £'000	2019 £'000
Operating profit for the period has been arrived at after charging:		
Auditors' remuneration – for audit work	18	12
Auditors' remuneration – for other services	9	7

8. Employee benefit expense

Director's remuneration was £Nil both in the current and prior year.

There were no employee expenses in the year, all Directors are paid for their services through other group companies.

The average monthly number of employees during the year was nil (2019: Nil).

Notes to the financial statements

for the year ended 31 December 2020 (continued)

9. Finance income and costs

	2020 £'000	2019 £'000
Finance income		
- Interest on amounts owed by group undertakings	-	-
Finance costs		
- Interest expense on defined benefit plan (note 15)	(26)	(59)
	<u>(26)</u>	<u>(59)</u>

10. Corporation tax expense

	2020 £'000	2019 £'000
Current corporation tax	-	-
Adjustment in respect of prior periods	-	-
Corporation tax expense	<u>-</u>	<u>-</u>

The tax rate used for the 2020 reconciliation is the corporate tax rate of 19% (2019: 19%) payable by the corporate entities in the UK on taxable profits under tax law in that jurisdiction.

The effective tax rate, calculated on the basis of total tax (income)/expense as a proportion of profit before tax is 19% (2019: 19%).

The charge for the year can be reconciled to the profit per the income statement as follows:

	2020 £'000	2019 £'000
Profit/ (loss) before taxation	<u>8</u>	<u>(140)</u>
Corporation tax expense calculated at 19% (2019: 19%)	2	27
Expenses not deductible for tax purposes	3	-
Adjusting deferred tax to average rate	(32)	(3)
Deferred tax not recognised	27	(24)
Income not taxable	-	-
Corporation tax expense	<u>-</u>	<u>-</u>

Notes to the financial statements

for the year ended 31 December 2020 (continued)

11. Investments

	Investment in subsidiary £'000
Cost	
At 1 January and 31 December 2020	-
Accumulated depreciation and impairments	
At 1 January and 31 December 2020	-
Net book value	
At 1 January 2020 and 31 December 2020	-

The Company owns all of the £2 ordinary share capital of Berg (UK) Limited. The Company purchased £8,500,000 of loan stock in Berg (UK) Limited, which was impaired when the loan stock was deemed to be irrecoverable.

Details of the Company's subsidiaries at 31 December 2020 are as follows:

Name of subsidiary	Place of incorporation and operation	Class of shares held	Proportion of ownership interest %	Principal activity
Berg (UK) Limited	England	Ordinary	100	Dormant

The address of Berg (UK) Limited's registered office is The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, Buckinghamshire, England, MK9 1FF.

12. Trade and other receivables

	2020 £'000	2019 £'000
Receivables due from group undertakings (note 20)	154	7
Prepayments	-	8
Other debtors	1	1
	<u>155</u>	<u>16</u>

The average credit period taken on provision of services is 30 days (2019: 30) days. No interest is charged on receivables (2019: £Nil). The Directors consider that the carrying amount of trade and other receivables approximates their fair value.

13. Cash and cash equivalents

	2020 £'000	2019 £'000
Cash at bank and in hand	<u>1,980</u>	<u>2,075</u>

Notes to the financial statements

for the year ended 31 December 2020 (continued)

14. Trade and other payables

	2020 £'000	2019 £'000
Amounts owed to group undertakings	-	-
Trade payables	6	-
Accrued expenses and deferred income	28	30
	<u>34</u>	<u>30</u>

Trade payables and accrued expenses principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days (2019: 30) days. The Directors consider that the carrying amount of trade and other payables approximates their fair value.

15. Pension commitments

The Company operates a defined contribution pension scheme. The pension cost charge represents contributions paid by the Company to the scheme and amounted to £Nil (2019: £Nil). At 31 December 2019 there were £Nil amounts outstanding (2019: £Nil).

The Company also operates a defined benefit schemes for qualifying employees of its own company; the Clerical Plan.

	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Balance sheet obligations for:					
Pension benefit scheme – Clerical Plan	(1,653)	(1,462)	(2,262)	(2,577)	(2,838)
	<u>(1,653)</u>	<u>(1,462)</u>	<u>(2,262)</u>	<u>(2,577)</u>	<u>(2,838)</u>
Income statement charge for:					
Pension benefit scheme – Clerical Plan	(26)	(59)	(183)	(179)	(69)
	<u>(26)</u>	<u>(59)</u>	<u>(183)</u>	<u>(179)</u>	<u>(69)</u>

Under the scheme the employees are entitled to retirement benefits of 1/60th of final pensionable salary on attainment of the normal retirement age of 60. The final pensionable salary is the highest average pensionable salary over any three consecutive years of service. No other post-retirement benefits are provided. The schemes are funded schemes.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out at 1 January 2018 by the Clerical Medical Investment Group. This has been updated to 31 December 2019 and 31 December 2020 by Willis Towers Watson.

Notes to the financial statements

for the year ended 31 December 2020 (continued)

15. Pension commitments (continued)

The principal actuarial assumptions used were as follows:

	2020	2019	2018	2017	2016
Discount rate	1.4%	1.9%	2.7%	2.0%	2.0%
Inflation rate	2.9%	2.8%	2.9%	2.9%	2.9%

Sensitivity analysis on the principal assumptions used to measure balance sheet liabilities:

Assumption	Change in assumption	Indicative impact on scheme liabilities
Discount rate	Increase/decrease by 0.5%	Decrease/increase by 13%
Rate of inflation	Increase/decrease by 0.5%	Increase/decrease by 10%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the pension liability recognised within the statement of financial position. The methods and types of assumption did not change.

Through its defined benefit pension plan the Company is exposed to a number of risks, the most significant of which are detailed below:

Volatility in market conditions	Results under IAS 19 can change dramatically depending on market conditions. The defined benefit obligation is linked to yields on corporate bonds. Changing markets in conjunction with discount rate volatility will lead to volatility in the net pension liability.
Choice of accounting assumptions	The calculation of the defined benefit obligation involves projecting future cash flows from the Scheme many years into the future. This means that the assumptions used can have a material impact on the Statement of Financial Position and the charge to the Statement of Comprehensive Income. In practice future experience within the Scheme may not be in line with the assumptions adopted. For example future salary increases or inflation could be higher or lower than allowed in the defined benefit calculation.
Inflation risk	The majority of the plan's benefit obligations are linked to inflation, and higher inflation will lead to higher liabilities.

The amounts to be recognised in the balance sheet are determined as follows:

	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Present value of funded obligations	(9,254)	(8,215)	(9,349)	(7,641)	(7,948)
Fair value of plan assets	7,601	6,753	7,087	5,064	5,110
Liability in the balance sheet	(1,653)	(1,462)	(2,262)	(2,577)	(2,838)

The pension plan assets are comprised of insurance contracts only.

Notes to the financial statements

for the year ended 31 December 2020 (continued)

15. Pension commitments (continued)

The movement in the defined benefit obligations over the year is as follows:

	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Beginning of year	8,215	9,349	7,641	7,948	8,169
Current/past service cost	-	-	142	-	-
Interest cost	155	245	123	131	193
Member contributions	-	-	-	-	-
Disbursements	(10)	(9)	(19)	(57)	(213)
Actuarial (gains)/losses	1,094	(1,064)	1,835	(155)	(201)
Benefits paid	-	-	-	-	-
Settlement	(200)	(306)	(374)	(226)	-
End of year	9,254	8,215	9,349	7,641	7,948

The movement in the fair values of plan assets of the year is as follows:

	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Beginning of year	6,753	7,087	5,064	5,110	5,195
Expected return on plan assets	785	(349)	2,190	100	151
Employer contributions	144	144	144	144	206
Interest income	129	186	82	-	-
Member contributions	-	-	-	-	-
Disbursements	(10)	(9)	(19)	(58)	(213)
Actuarial gains/(losses)	-	-	-	(7)	(229)
Settlement	(200)	(306)	(374)	-	-
End of year	7,601	6,753	7,087	5,064	5,110

There were settlements of £200k (2019: £306k) during the year relating to the purchase of annuities to meet the benefits payable on retirement of deferred members of the Plan.

Notes to the financial statements

for the year ended 31 December 2020 (continued)

15. Pension commitments (continued)

The amounts recognised in the income statement are as follows:

	2020 £'000	2019 £'000	2018 £'000	2017 £'000	2016 £'000
Current service cost	-	-	-	-	-
Past service cost	-	-	144	-	-
Recognised actuarial (losses)/gains	(1,094)	1,064	355	148	27
Return on plan assets less than discount rate	785	(349)	-	-	-
Total included in Total comprehensive (expense)/income	(309)	715	499	148	27
Interest cost	155	245	123	131	193
Interest income	(129)	(186)	(82)	(100)	(151)
Total included in finance costs (note 9)	26	59	41	31	42

The actual return on plan assets was £785,230 (2019: £349,021).

The estimated amounts of contributions expected to be paid to the scheme during the next financial year is £144,000 (2019: £144,000).

16. Provisions for liabilities and charges

Deferred tax asset

A provision for deferred taxation consists of the following amounts calculated at 25% (2019: 17%):

	Provided		Not provided	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Temporary differences on property, plant and equipment	-	-	-	-
Unused tax losses	-	-	-	-
Short term timing differences	-	(38)	-	(14)
Temporary differences on retirement benefit obligations	-	-	-	-
	-	(38)	-	(14)

The deferred taxation asset has not been provided for because it is considered probable that the Company will not have sufficient future taxable profits available against which the unused tax losses and temporary differences can be utilised.

Notes to the financial statements

for the year ended 31 December 2020 (continued)

17. Share capital and reserves

	Number of shares (thousands)	Ordinary shares £'000
At 1 January 2020 and 31 December 2020	29,800	29,800

The total authorised and issued number of ordinary shares is £29,800,000 shares (2019: £29,800,000) with a par value of £1 per share (2019: £1 per share). All issued shares are fully paid. These shares carry no right to fixed income or have any preferences or restrictions attached to them.

Retained earnings

The retained earnings reserve represents profits and losses retained in previous or the current period.

18. Financial Instruments and Risk Management

The management considers that the carrying amount of all financial instruments approximates to their fair value.

Currency risk management

The Company operates in a global industry and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro. Foreign exchange risk arises when commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

The management monitors both the level of likely future foreign currency cash flows and forecasts of exchange rate movements and manages exchange risk.

Quantitative analysis

The carrying value of the assets and liabilities of the Company in foreign currency denominated monetary assets and liabilities at the reporting dates is as follows:

	2020 £'000	2019 £'000
Current assets		
Sterling – trade and other receivables	155	9
Euro – trade and other receivables	-	7
Sterling – cash and cash equivalents	1,980	2,075
	<u>2,135</u>	<u>2,091</u>
Current and non-current liabilities		
	2019 £'000	2019 £'000
Sterling – trade and other payables	34	30
Euro – trade and other payables	-	-
	<u>34</u>	<u>30</u>

Notes to the financial statements

for the year ended 31 December 2020 (continued)

19. Financial Instruments and Risk Management (continued)

Interest rate risk management

The Company has an exposure to interest rate risk arising on interest-bearing deposits which are at variable rates of interest.

Quantitative analysis

The Company's interest rate profile of its financial assets and liabilities as at the reporting date is as follows:

	2020 Total at year end	2020 Weighted average rates at year end	2019 Total at year end	2019 Weighted average rates at year end
	£'000	%	£'000	%
Current assets				
Floating rates	2,135	-	2,091	-

Liquidity risk management

Management monitors forecasts of the Company's liquidity comprising undrawn borrowing facilities and cash and cash equivalents on the basis of expected cash flows. This is carried out in accordance with recommended accounting practice and limits set by the group. The Directors review the Company's liquidity at its monthly meetings.

Management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these requirements.

Management of capital

The capital employed by the Company is comprised of equity attributable to shareholders. The capital structure of the Company is maintained at a suitable level for the Company's size, strategy and underlying business risk

20. Related party transactions

(a) Related party transactions:

	2020 £'000	2019 £'000
Sales of services to group undertakings:		
- FCI Deutschland GmbH	156	6
- Amphenol FCI Asia Pte Ltd	-	-
Purchases of services from group undertakings:		
- Amphenol Corporation	-	-
Interest receivable from group undertakings:		
- Amphenol FCI Asia Pte Ltd	-	-
- FCI Deutschland GmbH	-	-

Notes to the financial statements

for the year ended 31 December 2020 (continued)

20. Related party transactions (continued)

(b) Compensation of key management personnel

Directors' remuneration was £Nil both in the current and prior year. Directors are remunerated for their services to the group by another group undertaking.

(c) Year end balances	2020 £'000	2019 £'000
Receivables from / (payable to) group undertakings (notes 12 and 14)		
- Amphenol Limited	(150)	-
- Amphenol FCI Asia Pte Ltd	-	-
- FCI Deutschland GmbH	154	7
	<u>4</u>	<u>7</u>

21. Ultimate parent and controlling party

The immediate parent company is FCI 's-Hertogenbosch B.V., a company incorporated in the Netherlands, which owns 100% of the Company's shares.

The ultimate controlling party and parent company of the Company is Amphenol Corporation, a publicly listed company incorporated in the USA. Amphenol Corporation prepares consolidated financial statements and these are available from its principal place of business, 358 Hall Avenue, Wallingford, Connecticut 06492, USA.