

Company registration number 11403074 (England and Wales)

STANDARD CABLETEAM UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

STANDARD CABLETEAM UK LIMITED

COMPANY INFORMATION

Directors	Mr K I Samuel Mr J E Wilms
Company number	11403074
Registered office	British Cables Company Ltd Delaunays Road Blackley Manchester M9 8FP
Auditor	MHA Moore and Smalley Richard House 9 Winckley Square Preston PR1 3HP

STANDARD CABLETEAM UK LIMITED

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STANDARD CABLETEAM UK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The directors present the strategic report for the year ended 30 June 2023.

Review of the business

The Group's main trading subsidiary British Cables Company's (BCC) turnover was slightly below prior year, which was due to end of a large export copper cable contract and also due to a moratorium being placed by BCC's large customer for a period of 3 months with the effect spread over 6 months. War in Ukraine continues to have pressure on raw material prices as well as energy prices, which has made competing with foreign imports a lot difficult. Our industry is also LME (London Metal Exchange) driven and turnover year on year (YoY) is therefore not directly comparable. Average LME (copper) in 21/22 was £7,140 and in 22/23 LME had increased to £6,878. Overall turnover decreased by £1.9m, of which the copper impact was £0.4m positive and volume was £2.3m reduction. Openreach continue to rollout fibre to new build properties, which influences the copper cables we manufacture. Sales in to the Rail sector increased by 44% YoY but Copper Telco cable saw the largest reduction compared to prior year. Due to the moratorium fibre sales reduced by just over £1m YoY.

Common across the whole of the cable manufacturing industry has been and continues to be the indirect impact of the war in Ukraine namely increased raw material costs / material shortages and long lead times.

One major account imposed a moratorium on spend affecting all of their suppliers, which although originally thought to last 3 months ended lasting a full half of year with the obvious negative effect on revenues. Order levels have since started to return to pre challenge levels.

We continue to resolutely adhere to the key strategic objective of reducing the dependency on the copper telecommunications market by entering new markets, securing new customers and supplying newly introduced products through our NPI program. New rail products targeting the rail infrastructure sectors both in the UK and Europe gain significant traction which bode well for the ensuing years.

The increase in trading accounts continues to be key in our development and our risk spreading strategy. Active accounts continue to remain on a steady and upward trajectory.

Embracing digitalisation and utilisation of several new platforms drives and continues to build the BCC brand. Engagement with the British Government / Department of International trade combined with the "Buy British overtones" have allowed us to enter / tender for more infrastructure projects Internationally. The Middle East markets in particular call for UK manufactured products.

BCC's manufacturing efficiency remains a key focus along with scrap management / scrap reduction programs

The transfer of the manufacturing facility from our sister Company in Ireland has been completed, thus increasing both manufacturing capability and capacity. This will allow BCC to produce products for existing, new and emerging markets.

Tight labour markets required extra focus on resource planning, upskilling, multiskilling, succession programs and retention.

Entering and focussing on developing business in these new and buoyant markets, securing medium and long-term contracts will provide significant growth over the ensuing years.

STANDARD CABLETEAM UK LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

Principal risks and uncertainties

The group makes little use of financial instruments other than an operational bank account and confidential invoice finance facility, so its exposure to credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit and loss of the group.

Price risk

The group is exposed to commodity price risk as a result of its operations. The directors believe that the group has adequate controls established to ensure that prices charged to customers reflect the cost of copper for each order received.

Foreign exchange risk

The group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Euros. Foreign risk arises from future commercial transaction and recognised assets and liabilities.

Development and performance

Since the movement of machinery from sister company IDH, BCC are now fully operational and approved for all the cable range previously being manufactured by IDH. A small delay in getting the equipment setup was due to lead time of new equipment added to existing piece of kit, which will make the manufacturing more efficient and price more competitive in a highly competitive market.

IDH Limited will be supported by BCC in UK to manufacture goods for Irish and export market, but will continue to be a Hans Wilms Beteiligungs GmbH company. It was also decided that some manufacturing will remain in IDH, so they can serve the Irish markets.

The business has successfully secured new long-term contracts to supply optical fibre cables and also new contract for supply of copper telecommunication cable. Both these commenced from Autumn 2021.

STANDARD CABLETEAM UK LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

Key performance indicators

The key tenet of the business continues to be health, safety, quality and the environment. The health and safety of all employees remains paramount.

Our policy aims to provide and support a culture where health, safety, quality and the environment is at the top of everyone's agenda. This has been achieved by ensuring that all our staff, operatives and sub-contractors receive adequate training, have the correct personal protective equipment and feel empowered to raise any concerns that they may have.

The Group retains its enviable record of exceeding H&S standards having achieved the RoSpa Presidents award for three consecutive years following being awarded Gold awards each year for over a decade.

Accreditations

BS EN ISO 9001 : 2015 Quality Management System
BS EN ISO 14001 : 2015 Environmental Management System
BS EN 45001 : 2018 Health & Safety Management System

Certificate of Product Approval to cover cables to BS EN 50525-3-41:2011

H07Z-R Class 2 1 core 1.5mm² to 25mm²

H05Z-K Class 5 1 core 0.5mm² to 1mm²

H07Z-K Class 5 1 core 1.5mm² to 10mm²

Certificate of Product Approval to cover cables to BS 8436:2011

Screened Class 2 2 core, 3 core and 4 core 1.0mm² to 4.0mm²

Certificate of Product Approval to cover cables to BS 7211:2012

6241B- 6243B – Class 1 & Class 2, 1.5mm² – 16mm²

Certificate of Product Approval to cover cables to BS 6004:2012

6181Y Class 1 1 core 1.0mm² to 2.5mm² and Class 2 1 core 4.0mm² to 25mm²

Certificate of Product Approval to cover cables to BS 7629-1:2015FG200 Fire Resistant Screened Class 1 & 2 2 core, 3 core and 4 core 1.5mm² to 4.0mm²

LPCB Certificate of Product Approval to cover single core fire resistant cables to BS 6387:2103

FG100 Single Core Fire Resistant cables 1.0mm² – 16.0mm²

BCC also have a range of certificates / approvals covering the fire performance CPR requirements.

Key Performance Indicators

	2023	2022
	£'000	£'000
Turnover	35,249	37,418
Gross profit	8.1%	8.6%
EBITDA	487	1,000
EBITDA %	1.4%	2.7%
Debtor Days	65	71
Creditor Days	58	60

Gross profit % dropped to 8.1% which is mainly to do with the energy price increases and packaging price increases. EBITDA % dropped 1.3% due to these large hikes.

Debtor days have gone down from 71 days to 65 days. This is due to improvements in cash collections and challenging some increased payment terms requested. Creditor days have reduced year on year from 60 days to 58 days. This seems to be the longest terms currently being offered by suppliers. As there is shortage of supplies, trying to negotiate extended terms doesn't seem to be of interest. Moving to new suppliers is becoming difficult, as suppliers are only willing to serve its existing customers base.

STANDARD CABLETEAM UK LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

Compliance with duty

his statement by the board describes how the responsibilities under s172 (1) (a) to (f) of the Companies Act 2006 have been approached. The directors consider that they have acted in good faith to promote the success of the group on behalf of the stakeholders, in relation to matters set out in s172 of the Act. The stakeholders of the business include the employees, clients and suppliers of the business.

The directors monitor and review strategic objectives against growth plans and regular reviews at departmental and board level are held across the business in the key areas. These areas being H & S, Financial performance, Operations, Human Resources and Risks and Opportunities.

The directors consider H&S fundamental to the management of the business. Safe working practices that minimise environmental impact are key to the success of the business and vitally important for our stakeholders, the communities and the environments we work in.

The fundamental principle in the governance of British Cables Company is the clear, fair and trusting approach to all interactions with employees, clients and suppliers; this is reflected in the length of service of employees and management teams and the longevity of the relationships with our clients and suppliers.

The group's employees, clients and suppliers are critical to the success of the business and so it is recognised that engagement is an important aspect in those relationships.

The directors recognise and understand that it is important to keep employees informed of all matters concerning them and does this in a number of ways including site notices, meetings, verbal and written communications. The views and interests of employees are considered in consultation with them through working groups or forums, which evolve over time to meet the needs of all parties. The policy of the group is to consult and discuss with employees any issues that arise in accordance with relevant procedures or legislation.

The group has an equal opportunities policy and is committed to the principles within the policy in respect of all stakeholders. The group has built, and continues to grow, the business on a reputation for delivering excellent customer service. The group, through the senior management team and employees, strives continuously to improve in every aspect of the products and services it provides, for the mutual benefit of all stakeholders.

The group enjoys good relationships with suppliers in relation to credit arrangements and takes a firm approach to debtor management. Payment terms reduce the risk to the business whilst the process for debt collection minimises the risk of non-payments. The directors have overall responsibility for delivering the group's strategy and values and for ensuring high standards of governance. The primary aim of the directors is to promote the long-term sustainable success of the group to generate benefit for the stakeholders

Strong customer relationships and a reputation for delivering great customer service will provide a springboard for continued growth with existing and new customers. Our increased capability and capacity positions us well for securing sustainable growth over the ensuing years.

The experienced team, along with the supportive shareholders will continue to drive the business through 2020 and beyond. A strong balance sheet and cash position means the business is in the perfect position to build on the success of past years.

Business investment and improvement plans will continue to further enhance health and safety culture, improve the client experience, and develop our people and systems to provide greater efficiencies for the benefit of all stakeholders.

The directors are very confident for the future of the business.

STANDARD CABLETEAM UK LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

On behalf of the board

Mr K I Samuel
Director

6 November 2023

STANDARD CABLETEAM UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The directors present their annual report and financial statements for the year ended 30 June 2023.

Principal activities

The principal activity of the group continued to be that of manufacturing of telecommunications and rail trackside signalling cables. The principal activity of the company continued to be that of a holding company.

Results and dividends

The results for the year are set out on page 13.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr K I Samuel

Mr J E Wilms

Energy and carbon report

	2023 kWh	2022 kWh
<i>Energy consumption</i>		
Aggregate of energy consumption in the year		
- Gas combustion	1,748,293	1,384,020
- Electricity purchased	4,364,101	4,584,681
- Fuel consumed for transport	254,529	62,013
	<u>6,366,923</u>	<u>6,030,714</u>
	2023 metric tonnes	2022 metric tonnes
<i>Emissions of CO2 equivalent</i>		
Scope 1 - direct emissions		
- Gas combustion	315.00	254.00
- Fuel consumed for owned transport	44.00	62.00
	<u>359.00</u>	<u>316.00</u>
Scope 2 - indirect emissions		
- Electricity purchased	904.00	887.00
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the group	-	-
	<u>1,263.00</u>	<u>1,203.00</u>
<i>Intensity ratio</i>		
Tonnes CO2e per employee	<u>12.37</u>	<u>11.14</u>

STANDARD CABLETEAM UK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022/23 UK Government's Conversion Factors for Company Reporting.

Utilities

Invoices from electricity and natural gas suppliers were provided, with energy consumption expressed in kilowatt hours. Emissions were calculated using the average UK mix.

Transport

Fuel consumption by company owned vehicles is recorded by fuel cards, expressed in litres.

Energy consumption and emissions were calculated using the average forecourt mineral blend of fuels.

For rental vehicles the engine size and mileage was recorded. Vehicles were grouped by engine size and fuel type according reporting guidance in order to estimate emissions, which in turn was converted to energy consumption in kilowatt hours. For combustion engines the average forecourt mineral blend was used and for electric vehicles the average UK generation mix was used.

Fugitive Emissions

Where air conditioning repairs included replacement of escaped refrigerant gasses, invoices from maintenance contractors were provided, expressing the type of refrigerant used and quantity in kilograms. All emissions have been converted and expressed as its carbon dioxide equivalent.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per full-time employee, a recommended ratio for the sector.

Measures taken to improve energy efficiency

Future strategy surrounds the continuous look out for efficiencies to be made within the production processes.

These include:

- Greater power savings by the shutting down of key production processes when they are in standby mode and the conversion of Core lines to more efficient drive systems. For example, DC to AC power on Lines 1512 and 1513 is planned to be rolled out across all Core production lines over time.
- Core vessel management has been reviewed and shorter times (electrical savings) are to be used without degradation in product quality.
- Greater control on the usage of gas heating across the site where older gas lines have been removed and more efficient electrical systems installed for personnel welfare.
- Finally following the Management Review 2023, an ambitious 1.5 % Carbon reduction has been agreed to continue to aim of a minimum certification level of C by 2030.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

Going concern

After performing their assessment and making appropriate enquiries, the directors have a reasonable expectation that the group will remain a going concern for the foreseeable future and accordingly, the financial statements have been prepared on a going concern basis. The results and conclusions of the going concern assessment are described in more detail in note 1 of the financial statements.

STANDARD CABLETEAM UK LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

On behalf of the board

Mr K I Samuel
Director

6 November 2023

STANDARD CABLETEAM UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2023

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STANDARD CABLETEAM UK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF STANDARD CABLETEAM UK LIMITED

Opinion

We have audited the financial statements of Standard Cableteam UK Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2023 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including 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 group's and the parent company's affairs as at 30 June 2023 and of the group's loss 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 group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent 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.

STANDARD CABLETEAM UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF STANDARD CABLETEAM UK LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 group and the parent company and their 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, are detailed below:

STANDARD CABLETEAM UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF STANDARD CABLETEAM UK LIMITED

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations;
- Enquires with management about any known or suspected instances of fraud;
- Examination of journal entries and other adjustments to test for appropriateness and identify any instances of management override of controls;
- Auditing the risk of fraud and management override of revenue by incorporating data analytics into our sampling of source entries and testing specific transactions to determine the completeness of revenue, and
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries.

Because of the field in which the client operates we identified that employment law, health and safety legislation and compliance with the UK Companies Act are the areas most likely to have a material impact on the financial statements.

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

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

Paul Locker
Senior Statutory Auditor
For and on behalf of MHA Moore and Smalley
Chartered Accountants
Statutory Auditor

Richard House
9 Winckley Square
Preston
PR1 3HP

6 November 2023

STANDARD CABLETEAM UK LIMITED

GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 £	2022 £
Turnover	3	35,455	37,418
Cost of sales		(32,566)	(34,218)
Gross profit		<u>2,889</u>	<u>3,200</u>
Administrative expenses		(2,651)	(2,713)
Other operating income		-	71
Operating profit	5	<u>238</u>	<u>558</u>
Interest payable and similar expenses	9	(346)	(165)
(Loss)/profit before taxation		<u>(108)</u>	<u>393</u>
Tax on (loss)/profit	10	(116)	(57)
(Loss)/profit for the financial year		<u><u>(224)</u></u>	<u><u>336</u></u>

(Loss)/profit for the financial year is all attributable to the owners of the parent company.

STANDARD CABLETEAM UK LIMITED**GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023**

	2023	2022
	£	£
(Loss)/profit for the year	(224)	336
Other comprehensive income		
Currency translation (loss)/gain taken to retained earnings	(37)	118
Total comprehensive income for the year	<u>(261)</u>	<u>454</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

STANDARD CABLETEAM UK LIMITED

**GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	Share capital	Restatement reserves	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 July 2021	-	(79)	4,506	4,427
Year ended 30 June 2022:				
Profit and total comprehensive income for the year	-	-	336	336
Transfers	-	(118)	-	(118)
Balance at 30 June 2022	-	(197)	4,842	4,645
Year ended 30 June 2023:				
Loss and total comprehensive income for the year	-	-	(224)	(224)
Transfers	-	34	-	34
Balance at 30 June 2023	-	(163)	4,618	4,455

STANDARD CABLETEAM UK LIMITED**COMPANY BALANCE SHEET****AS AT 30 JUNE 2023**

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Investments	13		7,535		7,535
Current assets					
Debtors	16	-		1	
Creditors: amounts falling due within one year	17	(61)		(134)	
Net current liabilities			(61)		(133)
Total assets less current liabilities			7,474		7,402
Creditors: amounts falling due after more than one year	18		(7,459)		(7,388)
Net assets			15		14
Capital and reserves					
Called up share capital	22		-		-
Profit and loss reserves			15		14
Total equity			15		14

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,241 (2022 - £9,703 loss).

The financial statements were approved by the board of directors and authorised for issue on 6 November 2023 and are signed on its behalf by:

Mr K I Samuel
Director

Company registration number 11403074 (England and Wales)

STANDARD CABLETEAM UK LIMITED**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023**

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 July 2021	-	23	23
	<u> </u>	<u> </u>	<u> </u>
Year ended 30 June 2022:			
Loss and total comprehensive income for the year	-	(9)	(9)
	<u> </u>	<u> </u>	<u> </u>
Balance at 30 June 2022	-	14	14
	<u> </u>	<u> </u>	<u> </u>
Year ended 30 June 2023:			
Profit and total comprehensive income	-	1	1
	<u> </u>	<u> </u>	<u> </u>
Balance at 30 June 2023	-	15	15
	<u> </u>	<u> </u>	<u> </u>

STANDARD CABLETEAM UK LIMITED

GROUP BALANCE SHEET

AS AT 30 JUNE 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		925		788
Current assets					
Stocks	15	9,957		9,071	
Debtors	16	9,894		11,005	
Cash at bank and in hand		147		167	
		<u>19,998</u>		<u>20,243</u>	
Creditors: amounts falling due within one year	17	<u>(12,869)</u>		<u>(13,042)</u>	
Net current assets			<u>7,129</u>		<u>7,201</u>
Total assets less current liabilities			<u>8,054</u>		<u>7,989</u>
Creditors: amounts falling due after more than one year	18		<u>(3,599)</u>		<u>(3,344)</u>
Net assets			<u><u>4,455</u></u>		<u><u>4,645</u></u>
Capital and reserves					
Called up share capital	22		-		-
Retranslation reserves			(163)		(197)
Profit and loss reserves			<u>4,618</u>		<u>4,842</u>
Total equity			<u><u>4,455</u></u>		<u><u>4,645</u></u>

The financial statements were approved by the board of directors and authorised for issue on 6 November 2023 and are signed on its behalf by:

Mr K I Samuel
Director

STANDARD CABLETEAM UK LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	28		1,545		(1,586)
Interest paid			(346)		(165)
Income taxes paid			(29)		(37)
			<u> </u>		<u> </u>
Net cash inflow/(outflow) from operating activities			1,170		(1,788)
Investing activities					
Purchase of tangible fixed assets		(386)		(500)	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(386)		(500)
Financing activities					
Increase/(decrease) in short term borrowings		(804)		2,413	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from financing activities			(804)		2,413
			<u> </u>		<u> </u>
Net (decrease)/increase in cash and cash equivalents			(20)		125
Cash and cash equivalents at beginning of year			167		42
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u> 147 </u>		<u> 167 </u>

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

Company information

Standard Cableteam UK Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is .

The group consists of Standard Cableteam UK Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Standard Cableteam UK Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 30 June 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.4 Going concern

As with most businesses, at the date of approval of the financial statements, the group has been recovering from the effects of the Covid-19 pandemic. Currently 3 things that we are assessing on a regular basis is are:

War in Ukraine – this is having a bigger impact than Covid-19 has done. Shortages in supplies of certain raw materials is driving higher prices. Also, sanctions placed by the UK government with Russia is making it difficult for our suppliers to source materials. We have been comforted by our suppliers that they have alternative supplies in place, albeit at a slightly higher costs, but supply will continue.

Energy Costs – as the country is feeling the pressure from wholesalers increasing energy costs, and seeing large numbers of 'smaller' energy companies not being able to survive. We have been working closely with our brokers to ensure this does not have big impact on our costs, and manage our energy costs for us.

Inflation – this has increased 3 folds from 12 months ago. We are seeing that prices of not only raw materials, but transport, fuel, energy and commodity increasing. In order to minimize impact of inflation we are making some improvements on our production by driving efficiencies, and negotiating hard with our raw material suppliers to keep the prices down. Ultimately we are also negotiating with our customers, with whom we have long term contracts, to pass some of the increase over.

The directors have prepared detailed cashflow forecasts including assumptions on key contracts which have now come to fruition, these demonstrate that the company has sufficient cash resources to be able to withstand the future trading conditions arising due to the factors listed above, whilst being able to continue to meet its liabilities as they fall due and meet the financial covenant requirements for the 12 month period following approval of the accounts. The Hans Wilms Beteiligungs-GmbH group has also confirmed that it will provide financial support for the company for the 12 month period following the approval of the accounts.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 3 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	3 - 5 years
---------------------	-------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

Assets in the course of construction are not depreciated as they have not been brought into use.

1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.18 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

The group manufactures and buys copper and fibre cable. It is necessary to consider the recoverability of the cost of inventory and the associated provisioning required. When calculating the inventory provision, management considers stock not sold within the last 12 months, stock over 12 months old, short lengths and stock for which the company has more than 12 months of cover.

Standard costing of copper

Stock is stated at the lower of cost and estimated selling price less cost to complete and sell. Cost is determined on a standard cost basis and is reviewed periodically. The carrying value of stock at the year end is as disclosed in note 15.

3 Turnover and other revenue

	2023	2022
	£	£
Turnover analysed by geographical market		
United Kingdom	27,491	32,121
Continental Europe	5,267	3,350
Rest of World	2,697	1,947
	<u>35,455</u>	<u>37,418</u>

	2023	2022
	£	£
Other revenue		
Grants received	-	71
	<u>-</u>	<u>71</u>

4 Exceptional item

	2023	2022
	£	£
Expenditure		
Exceptional item	-	87
	<u>-</u>	<u>87</u>

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

(Continued)

4 Exceptional item

The group shipped plant and machinery from overseas in the previous period from a fellow group undertaking. The exceptional costs incurred in that period relate to the costs to transport the plant and machinery to the group's premises.

5 Operating profit

	2023 £	2022 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	297	(215)
Research and development costs	48	48
Government grants	-	(71)
Depreciation of owned tangible fixed assets	249	442
Operating lease charges	358	356
	<u> </u>	<u> </u>

6 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	3	3
Audit of the financial statements of the company's subsidiaries	29	24
	<u> </u>	<u> </u>
	32	27
	<u> </u>	<u> </u>

7 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Production	78	84	-	-
Administration	22	22	-	-
Management	2	2	2	2
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	102	108	2	2
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

7 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	3,507	3,600	-	-
Social security costs	389	397	-	-
Pension costs	201	204	-	-
	<u>4,097</u>	<u>4,201</u>	<u>-</u>	<u>-</u>

8 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	153	171
Company pension contributions to defined contribution schemes	13	12
	<u>166</u>	<u>183</u>

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 1 (2022: 1).

9 Interest payable and similar expenses

	2023 £	2022 £
Interest on bank overdrafts and loans	346	165
	<u>346</u>	<u>165</u>

10 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	31	-
	<u>31</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	69	57
Changes in tax rates	15	-
Adjustment in respect of prior periods	1	-
	<u>85</u>	<u>57</u>
Total deferred tax	85	57
	<u>116</u>	<u>57</u>
Total tax charge	116	57

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

10 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
(Loss)/profit before taxation	(108)	393
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 20.50% (2022: 19.00%)	(22)	75
Tax effect of expenses that are not deductible in determining taxable profit	1	2
Tax effect of income not taxable in determining taxable profit	(47)	(25)
Effect of change in corporation tax rate	15	14
Depreciation on assets not qualifying for tax allowances	2	-
Under/(over) provided in prior years	31	-
Deferred tax adjustments in respect of prior years	1	-
Deferred tax not recognised	135	-
Super deduction enhanced relief	-	(9)
Taxation charge	116	57

In March 2021 the Chancellor confirmed, in the budget, an increase in the corporation tax rate from 19% to 25%. The Finance Bill 2021 had its third reading on 24 May 2021 and is now considered substantively enacted. The timing differences expected to reverse on or after 1 April 2023 have been accounted for at 25%.

11 Intangible fixed assets

Group	Negative goodwill £
Cost	
At 1 July 2022 and 30 June 2023	(4,796)
Amortisation and impairment	
At 1 July 2022 and 30 June 2023	(4,796)
Carrying amount	
At 30 June 2023	-
At 30 June 2022	-

The company had no intangible fixed assets at 30 June 2023 or 30 June 2022.

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

12 Tangible fixed assets

Group	Assets under construction £	Plant and machinery £	Total £
Cost			
At 1 July 2022	135	2,568	2,703
Additions	-	386	386
Transfers	(135)	135	-
At 30 June 2023	-	3,089	3,089
Depreciation and impairment			
At 1 July 2022	-	1,915	1,915
Depreciation charged in the year	-	249	249
At 30 June 2023	-	2,164	2,164
Carrying amount			
At 30 June 2023	-	925	925
At 30 June 2022	135	653	788

The company had no tangible fixed assets at 30 June 2023 or 30 June 2022.

13 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	14	-	-	7,535	7,535

Movements in fixed asset investments Company

	Shares in subsidiaries £
Cost or valuation	
At 1 July 2022 and 30 June 2023	7,535
Carrying amount	
At 30 June 2023	7,535
At 30 June 2022	7,535

14 Subsidiaries

Details of the company's subsidiaries at 30 June 2023 are as follows:

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

14 Subsidiaries

(Continued)

Name of undertaking	Address	Class of shares held	% Held	
			Direct	Indirect
British Cables Company Limited	1	Ordinary shares	100.00	-
BCC MEA FZE	2	Ordinary shares	-	100.00

1 Ashenhurst Works, Blackley, Manchester, United Kingdom, M9 8ES

2 No. LB181906A Jabal Ali, Dubai, United Arab Emirates

15 Stocks

	Group 2023 £	2022 £	Company 2023 £	2022 £
Raw materials and consumables	2,738	2,842	-	-
Work in progress	1,205	1,066	-	-
Finished goods and goods for resale	6,014	5,163	-	-
	<u>9,957</u>	<u>9,071</u>	<u>-</u>	<u>-</u>

16 Debtors

	Group 2023 £	2022 £	Company 2023 £	2022 £
Amounts falling due within one year:				
Trade debtors	6,714	7,710	-	-
Corporation tax recoverable	65	68	-	-
Amounts owed by group undertakings	1,933	1,816	-	-
Other debtors	480	489	-	-
Prepayments and accrued income	635	770	-	-
	<u>9,827</u>	<u>10,853</u>	<u>-</u>	<u>-</u>
Deferred tax asset (note 20)	67	152	-	1
	<u>9,894</u>	<u>11,005</u>	<u>-</u>	<u>1</u>

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

17 Creditors: amounts falling due within one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans	19	3,373	4,177	-	-
Trade creditors		4,138	4,654	-	-
Amounts owed to group undertakings		3,769	1,994	47	116
Other taxation and social security		961	1,448	-	-
Other creditors		535	601	-	-
Accruals and deferred income		93	168	14	18
		<u>12,869</u>	<u>13,042</u>	<u>61</u>	<u>134</u>

18 Creditors: amounts falling due after more than one year

	Group 2023 £	2022 £	Company 2023 £	2022 £
Amounts owed to group undertakings	3,582	3,314	7,459	7,388
Accruals and deferred income	17	30	-	-
	<u>3,599</u>	<u>3,344</u>	<u>7,459</u>	<u>7,388</u>

19 Loans and overdrafts

	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans	<u>3,373</u>	<u>4,177</u>	<u>-</u>	<u>-</u>
Payable within one year	<u>3,373</u>	<u>4,177</u>	<u>-</u>	<u>-</u>

The bank loans are secured by a debenture over all of the company's assets and undertaking as well as fixed and floating charges over the property at Ashenhurst Works, Blackley, which is owned by HW Real Estate UK Ltd.

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Assets 2023 £	Assets 2022 £
Group		
Accelerated capital allowances	53	147
Tax losses	-	1
Short term timing differences	14	4
	<u>67</u>	<u>152</u>
	<u><u>67</u></u>	<u><u>152</u></u>
	Assets 2023 £	Assets 2022 £
Company		
Tax losses	-	1
	<u>-</u>	<u>1</u>
	<u><u>-</u></u>	<u><u>1</u></u>
	Group 2023 £	Company 2023 £
Movements in the year:		
Asset at 1 July 2022	(152)	(1)
Charge to profit or loss	85	1
	<u>(67)</u>	<u>-</u>
	<u><u>(67)</u></u>	<u><u>-</u></u>

21 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	201	204
	<u>201</u>	<u>204</u>
	<u><u>201</u></u>	<u><u>204</u></u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

22 Share capital

	2023	2022	2023	2022
Group and company				
Ordinary of £'0001 each	1	1	-	-

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

23 Financial commitments, guarantees and contingent liabilities

There are unlimited cross company guarantees on bank borrowing facilities and loans between British Cables Company Limited, HW Real Estate UK Ltd and Standard Cableteam UK Limited.

The potential liability at 30 June 2023 for the group under this guarantee is £2,050,000.

Included within other creditors are amounts advances under invoice financing arrangements of £3,373,372 (2022: £4,177,350). The facility within other creditors is secured by a charge over the company's book debts.

24 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Within one year	67	17	-	-
Between two and five years	49	10	-	-
	<u>116</u>	<u>27</u>	<u>-</u>	<u>-</u>

25 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Acquisition of tangible fixed assets	-	30	-	-
	<u>-</u>	<u>30</u>	<u>-</u>	<u>-</u>

26 Related party transactions

Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Rent payable		Management fee receivable	
	2023 £	2022 £	2023 £	2022 £
Group				
Other related parties	330	330	(50)	(50)
	<u>330</u>	<u>330</u>	<u>(50)</u>	<u>(50)</u>

STANDARD CABLETEAM UK LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

26 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2023	2022
	£	£
Group		
Other related parties	393	268
	<u> </u>	<u> </u>

Other information

The company has taken advantage of the disclosure exemption relating to section 33.1A of the standard with regards to the requirement of disclosing transactions with fellow group entities.

27 Controlling party

The company is a wholly owned subsidiary of Standard Cableteam Spain S.L. The directors consider that the ultimate parent undertaking of this company is Hans Wilms Beteiligungs GmbH.

28 Cash generated from/(absorbed by) group operations

	2023	2022
	£	£
(Loss)/profit for the year after tax	(224)	336
Adjustments for:		
Taxation charged	116	57
Finance costs	346	165
Depreciation and impairment of tangible fixed assets	249	442
Non-cash items	35	8
Movements in working capital:		
(Increase)/decrease in stock	(886)	(2,306)
(Increase)/decrease in debtors	903	486
(Decrease)/increase in creditors	1,006	(774)
	<u> </u>	<u> </u>
Cash generated from/(absorbed by) operations	1,545	(1,586)
	<u> </u>	<u> </u>

29 Analysis of changes in net debt - group

	1 July 2022	Cash flows	30 June 2023
	£	£	£
Cash at bank and in hand	167	(20)	147
Borrowings excluding overdrafts	(4,177)	804	(3,373)
	<u> </u>	<u> </u>	<u> </u>
	(4,010)	784	(3,226)
	<u> </u>	<u> </u>	<u> </u>

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