

Tyco Electronics UK Ltd

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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Tyco Electronics UK Ltd

COMPANY INFORMATION

Directors	H G Barksdale S C Cooper A R Fulford
Registered number	00550926
Registered office	Company Secretariat Faraday Road Dorcan Swindon SN3 5HH
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Seacourt Tower Botley Oxford OX2 0JJ

Tyco Electronics UK Ltd

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Tyco Electronics UK Ltd

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

The Directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

Principal activities

The Company's principal activity is the manufacture and supply of passive electronic components, active fibre optic components, power and wiring systems and high-end printed circuit board technologies. Further information about the segments in which the Company operates is given in Note 4 to the financial statements. The segments are aligned to reflect our emphasis on providing connectivity solutions for our customers.

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

This statement describes how the directors have taken account of the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 ("s172") when performing their duty to promote the success of the Company for the benefit of its members as a whole, and in doing so having regard (amongst other matters) to:

- The likely consequence of any decision in the long term
- The interests of the Company's employees
- The need to foster the Company's business relationships with suppliers, customers and others
- The impact of the Company's operations on the community and the environment
- The desirability of the Company maintaining a reputation for high standards of business conduct
- The need to act fairly as between members of the Company.

The board is fully aware of its duty under section 172(1) of the Companies Act 2006 to promote the success of the Company for the benefit of its stakeholders. The board is aware of all stakeholder interests, and as such takes a long-term view in reaching in key decisions, and when taking decisions, the board looks to act in the interests of the stakeholders and to ensure all stakeholders are treated fairly.

The Company follows the TE Connectivity Corporate Governance policy, which applies to all TE Connectivity Companies. Its underlying concept and structure of responsibilities are as follows:

- Senior Management Team matrix, which identifies Legal entity and Corporate roles within TE Connectivity that have operational/functional management responsibility to the Board. They have responsibility: for ensuring compliance with any statutory legislation or obligations; notifying the Board of any non-compliance; evaluating events with significant or strategic impact on business and any of its stakeholders and communicating this to the Board for approval if applicable.
- Principal Decision matrix and Stakeholder matrix, which identifies strategic functional decisions that may impact on: success of the Company; Company's relationship with its stakeholders; Groups of stakeholders that may be impacted by different types of decisions; evaluating the impact of principal decisions for communication to the Board of Directors. A record of these events are held in Principal Decision and Events register.
- Stakeholder Assessment template, this evidences the evaluation of decisions that require Board approval, to include method and structure to explain the impact on Stakeholders.
- Stakeholder Engagement Strategy, promoting engagement/consultation with Stakeholders (Employee and non-employee). Stakeholder Engagement Strategy document records the events.

Tyco Electronics UK Ltd

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

During the year, the Board of Directors have approved the following decisions:

- to make a £15m dividend payment to the parent company Tyco Electronics UK Holdings Ltd
- to set up a subsidiary company to be the Corporate Trustee of the Tyco Electronics UK Pension Plan
- to implement SAP into all manufacturing sites
- to lift COVID restrictions in line with government guidance

Business review

The Company continues to develop its customer base and grow its participation with major customers. The Company monitors its performance through the use of key performance indicators (see section below). The Directors are satisfied with the performance of the Company.

The Company has branches in Kenya and Jordan established to investigate market opportunities for the TE Connectivity group in the East Africa and Middle East regions, respectively.

The Sales KPI reflects that the Company has recovered from the effect of the pandemic, in particular for the business unit for Aerospace, defence, oil and gas (part of the Industrial unit); sales have increased in 2022 primarily as a result of increase in the market for industrial equipment, along with recovery in the commercial aerospace market. This has been offset by a smaller increase in operating margin, through improved and leaner manufacturing productivity offsetting the supply chain disruptions and inflationary cost pressures. The improvements seen in Sales and OI KPI's have resulted in an increase to ROCE.

Key performance indicators

The key financial indicators, used by management in assessing the overall performance of the Company, are derived from the net assets, turnover and operating profit or loss.

The key performance indicators are:

	2022	2021
Change in turnover: year-on-year change, as a percentage	19.3%	(3.1)%
Operating margin: as a percentage of turnover	7.6%	7.3%
Return on capital employed: as a percentage of average net assets	5.00%	3.83%

Strategy and operations

The strategy of the worldwide TE Connectivity group, which the Company is a part of, is to be the world leader in electronic component connectivity. It seeks to achieve this through innovation, strategic business partnerships, increased presence in emerging markets and brand development. The operations of the Company reflect and support the strategy of the worldwide group.

The TE Connectivity group grows its business both organically through existing product and market development and by acquisition of other companies or groups consistent with the overall strategy. Where UK companies are acquired either locally or globally, the Company will consider if advantages can be gained from consolidation of operations and trade.

Product development

Product development is a major factor in securing the business future of the Company. This is assisted by the worldwide group being structured in industry-based units, which are able to focus clearly on customer requirements.

Tyco Electronics UK Ltd

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Principal risks and uncertainties

Whilst overseas competition and raw materials prices present continuing uncertainties, the economic environment presents both short-term and long-term challenges to management.

Crisis in Ukraine:

This uncertainty facing the business is the impact of oil prices on the level of work available, due to customers delaying projects when market conditions change, such as the crisis in Ukraine. However, Management believe that post year end performance to date does not suggest any adverse impact from this.

Financial risk management

Liquidity risk management:

An aim of the worldwide group is to generate significant free cash flows. During the year, the global free cash flow was US\$1.81 billion (2021: US\$2.10 billion). The Company benefits from this, being part of the group's cash-pooling arrangement.

Financial risk management:

Financial risk management is undertaken by a central treasury group on behalf of the ultimate holding company, and the Company itself does not hold financial derivatives.

Credit risk management:

There is no significant credit risk associated with the trade debtors, which represent less than 5% of the annual turnover.

Future outlook

The strength of the TE Connectivity group across its worldwide markets provides a strong foundation for the future prospects of the Company. The group continues its strategy to strengthen its position as the world leader in connectivity and establish a leadership position in sensors in the harsh environment markets. The Company continues to invest in its manufacturing facilities.

Going concern

Information about the basis of preparation of the financial statements is given in the Statement of accounting policies, on page 19.

Research and development

The TE Connectivity group is a world leader in smart connectivity and leverages technology innovations across the industries, markets and customers it serves. Tyco Electronics UK Ltd's research and development programme plays a key role in supporting its activities, including increasing manufacturing efficiency, improving product quality and introducing new products.

This report was approved by the board on

29/6/2023

and signed on its behalf.



S C Cooper
Director

Tyco Electronics UK Ltd

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

The Directors present their report and the financial statements for the year ended 30 September 2022.

As permitted, certain information regarding the Company, including a review and analysis of the development and performance of the Company's business during the year and a description of the principal risks and uncertainties facing the Company are contained within the Strategic report.

Results and dividends

The profit for the year, after taxation, amounted to £12,877k (2021: £9,216k).

An interim dividend of £15,000k (2021: £Nil) was paid. The Directors do not propose a final dividend (2021: £Nil).

Directors

The Directors who served during the year are:

H G Barksdale
S C Cooper
A R Fulford

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Tyco Electronics UK Ltd

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Financial risk management

Tyco Electronics UK Ltd is integrated with TE Connectivity Ltd.'s liquidity management system. Cash and cash equivalents held in TE Connectivity Ltd.'s subsidiaries, are obliged to one of its subsidiary's Tyco Electronics Group S.A. (TEGSA) with the ability to repatriate if needed. The TE Connectivity Ltd.'s effective finance management system with ongoing monitoring and control of inflows and outflows and their due dates is an effective tool for liquidity risk management. The primary sources of funds are business operations; other sources include cash flows from investing activities and external financing activities. Finance management for business operations is substantially centralised and ensured through a cash-pooling system. By daily netting and pooling cash balances, cash available or required is managed as needed and appropriate. The Directors of Tyco Electronics UK Ltd are regularly briefed on the inflow and outflow of funds. Cash inflows and outflows are netted through Tyco Electronics UK Ltd integration with TE Connectivity Ltd.'s central finance management system.

Credit and Liquidity risk

Liquidity management and investment is handled by the central TE Connectivity Ltd.'s treasury function. This carefully selects the financial institutions and investment forms when investing cash. Risk is minimised by use of financial institutions worldwide, substantially all of which have long-term Standard & Poor's, Moody's and/or Fitch credit ratings of A/A2 or higher. In addition, only conventional derivative financial instruments are utilised.

Liquidity risk describes the risk that difficulty will be encountered in meeting obligations associated with financial liabilities. To counter this risk, TE Connectivity Ltd. has an effective financial management system that continuously monitors and manages cash inflows and outflows and due dates. Cash funds are primarily generated by the operating business of the group and by external financing arrangements. Daily pooling of cash funds manages liquidity surpluses and requirements both at company level and for TE Connectivity Ltd. to ensure that all needs are met.

Engagement involvement

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the Company as a whole. Communication with all employees continues through e-mail and web-based newsletters and consultation groups.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with TE Connectivity group continues and that the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of the disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Qualifying third party indemnity provisions

During the year, the Company had in force an indemnity provision in favour of the Directors of the Company against liability in respect of proceedings brought by third parties.

Tyco Electronics UK Ltd

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Greenhouse gas emissions, energy consumption and energy efficiency action

Tyco Electronics UK Limited complies with the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 and the Companies (Director's Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 and our approach to reporting is based on the GHG Protocol Corporate Accounting and Reporting Standard in line with the guidance on SECR.

Our reporting period is for the financial year 1st October 2021 to 30th September 2022, reporting all material GHG emissions using "Tonnes of CO2 equivalent" (tCO2e) as the unit of measurement and reporting energy use in kWh. We have included the energy and emissions for the buildings owned and operated (i.e. those within the financial control boundary).

The Great Yarmouth site was incorrectly included in the previous report due to the premises list being taken from ESOS. The energy on this site is not within our financial control as it is included in the lease costs and has therefore been excluded from this report.

Due to the adjustments explained in the Report Revision section, the reported emissions in this report for FY20-21 are 150 tCO2e less than those reported for the same period in last year's report (7073 vs 7223).

The results are presented as Location based emissions and Market based emissions, where applicable. Location based reflect the average emissions intensity of grid supplies (using grid average emissions factors) and Market based reflects emissions from electricity where companies have opted to procure green energy or invested in renewable generation.

The methodology used to calculate total energy consumption and carbon emissions has been invoice data for the financial years stated. Where data was not available, estimates have been calculated using historical profiles and details kept in the client's evidence pack.

Energy and fuel consumption has been converted to carbon (kgCO2e) using DEFRA published conversion factors. Fuel for Transportation has been converted using statistical data sets published by Department of Transport (www.gov.uk/government/statistical-data-sets/energy-and-environment-data-tables-env).

New DEFRA conversion tables are issued in June and cover January to December, due to our financial year covering two data sets, to maintain consistency this report has used the annual published factors covering the largest reporting months i.e. Jan-Sept 2022.

Transport data in FY21-22 was reported as costs which have been converted into volume providing an auditable conversion. Costs have been converted into litres of fuel using the average monthly price per litre from the statistical data set published by the DoT.

We have selected the most appropriate intensity metric in line with the primary drivers of energy consumption, where possible. For this report we have selected Gross Internal Area (GIA SqM) as the most appropriate to achieve a benchmark.

Energy Efficiency action taken in financial year

Tyco Electronics UK Ltd has continued to invest in projects to reduce carbon energy. The main project undertaken in this financial year was the replacement of all internal lighting to LED. This was carried out on all sites (Swindon, Witham and Hastings) and covering all office and production areas. It is expected that this will reduce energy usage and ultimately cost, with the investment payback of this project being 1 year.

Tyco Electronics UK Ltd

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

TE Connectivity Limited Energy Consumption and associated CO2 emissions	2021/22	2020/21
Consumption		
Total Energy consumption (electricity) (kWh)	22,489,331	22,423,058
Total Energy consumption (gas) (kWh)	10,457,950	12,624,370
Total vehicle fuel consumption (Litres)	797,355	324,263
Emissions		
Combustion of fuel - gas (Scope 1) (TCO2e)	1,909	2,312
Business travel - company owned + Grey mileage (Scope 1 + 2) (TCO2e)	48	0
Electricity purchased for own use - company owned (Scope 2) (TCO2e)	4,349	4,840
Total Annual Gross Emissions	6,306	7,223
Annual GHG intensity measure (TCO2/SQM)		
GHG emissions TCO2e/sqm	0.093	0.104

Streamline Energy and Carbon Reporting Disclosure

Global energy scope 1 and 2 GHG emission data for period:

Tonnes CO2e	FY21-22	FY20-21	Variance	FY21-22	FY20-21	Variance
	location	location	location	market	market	market
	based	based	based	based	based	based
Scope 1 (Fuel combustion in buildings)	1,909	2,312	-17%	1,909	2,312	-17%
Scope 2 (Electricity)	4,349	4,761	-9%	4,349	4,761	-9%

Company's chosen intensity metric: tCO2e/SqM

	FY21-22	FY21-22	Variance
	location	market	market
	based	based	based
Emissions reported per unit of throughput	0.095	0.095	0%

Scope 3 Global GHG emission data for period:

Emission from Business travel (air, rail and vehicles)	FY 21-22	FY20-21	Variance
	139	78	78%

Underlying global energy data for period:

Energy use (kWh)	FY21-22	FY20-21	Variance
Electricity	22,489,331	22,423,058	0%
Natural Gas	10,457,950	12,624,370	-17%
Transport Fuel	797,354	324,263	146%

Tyco Electronics UK Ltd

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Variations

Reporting Category		FY2022 Report Year Ending: Sept-2022	FY2021 Report Year Ending: Sept-2021	Variance	Comments
Energy consumption used to calculate emissions (kWh)		35,371,692	35,703,551	-1%	Please see "Data Accrued" and "Site Exclusion" explanation below
Electricity	kWh	22,423,058	22,792,729	-2%	Please see "Billing" and "Site Exclusion" explanation below
Natural Gas	kWh	12,624,370	12,586,559	0%	
Transport Fuels	Diesel (B3)	167,030	167,030	0%	
Transport Fuels	Petrol (S3)	157,233	157,233	0%	
Transport Fuels	Diesel (S1)	0	0	0%	
Transport Fuels	Petrol (S1)	0	0	0%	
Emissions from combustion of gas (Scope 1) (kgCO ₂ e)		2,312	2,305	0%	Please see comment above
Emissions from combustion of fuel for transport purposes (Scope 1) (kgCO ₂ e)		0	0	0%	
Emissions from purchased electricity (Scope 2, location-based)		4,761	4,840	-2%	Please see comment above
Emissions from combustion of fuel for transport purposes (Scope3) (kgCO ₂ e)		78	78	0%	
Total gross tCO₂e based on above		7,073	7,223	-2%	
Intensity ratio: gross tCO₂e/SqM		0.104	0.104	0%	

Explanations:**Data Accruals**

The database will automatically accrue missing data if no consumption has been entered whether from invoice or manual input.

The accrued consumption is based on the last entry on a daily pro-rata basis and will continue to accrue until a new entry is input.

In FY21 report, lack of consumption for electricity resulted in consumption being accrued for the Cambridge site.

Billing

Monthly invoice data is input into the data base and bill validation undertaken, these invoices could be actual, estimated or re-bills.

Where slight differences occur due to re-billing, any subsequent report run after the report has been issued will show any variation to consumption due to the adjustment, hence the small differences in the following year's report.

Site Exclusion

The Great Yarmouth site was incorrectly included in the previous report due to the premises list being taken from ESOS. The energy on this site is not within financial control of Tyco Electronics UK Limited therefore has been excluded from this report.

Tyco Electronics UK Ltd

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Disclosure of information to auditor

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 29/6/2023 and signed on its behalf.



S C Cooper
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TYCO ELECTRONICS UK LTD

Opinion

We have audited the financial statements of Tyco Electronics UK Ltd (the 'Company') for the year ended 30 September 2022, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity 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 United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from general macro-economic uncertainty including high inflation rates, recession and the war in Ukraine. We assessed and challenged the reasonableness of estimates made by the Directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TYCO ELECTRONICS UK LTD
(CONTINUED)**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

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 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 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.

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 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.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TYCO ELECTRONICS UK LTD
(CONTINUED)**

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

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, 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.

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.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TYCO ELECTRONICS UK LTD
(CONTINUED)**

Irregularities, including fraud, are instances of non-compliance with laws and regulations.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We enquired of management and those charged with governance, the Company's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations;
 - the detection and response to the risks of fraud; and
 - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management and those charged with governance whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We corroborated our enquires through our review of board minutes
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (FRS 102 and the Companies Act 2006).
- In addition, we concluded that there are certain regulations that may have an effect of the determination of the amounts and disclosures in the financial statements and those laws and regulations relating to health and safety, employee matters, environmental matters, data protection, and bribery and corruption practices.
- We communicated relevant laws and regulations and potential fraud risks to engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal that the principal risks were in relation to:
 - journal entries that impacted profit; and
 - potential management bias in determining accounting estimates, especially in relation to the stock provision, bad debt provision, share options, defined benefit pension scheme, impairment of investments and the recoverability of amounts due from group undertakings.
- Our audit procedures involved:
 - journal entry testing, with a focus on profit impacting journals; and
 - challenging assumptions and judgements made by management in its significant accounting estimates.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TYCO ELECTRONICS UK LTD
(CONTINUED)**

- The Engagement Lead has assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team's:
 - understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation;
 - knowledge of the industry in which the client operates; and
 - understanding of the legal and regulator requirements specific to the entity, including the provisions of the applicable legislation, the regulator's rules and related guidance, and guidance issued by relevant authorities that interprets those rules and the applicable statutory provision.
- In addition, we completed audit procedures to conclude on the compliance of disclosures in the annual report and accounts with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

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 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.

Grant Thornton UK LLP

Madeleine Malenczuk FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Oxford
Date: 29/6/2023

Tyco Electronics UK Ltd

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Note	2022 £000	2021 £000
Turnover	4	204,748	171,591
Cost of sales		(159,841)	(135,065)
Gross profit		44,907	36,526
Distribution costs		(2,996)	(2,977)
Administrative expenses		(26,308)	(21,800)
Other operating income		4	858
Operating profit	5	15,607	12,607
Interest receivable and similar income	9	1,313	254
Interest payable and expenses		(2)	(10)
Other finance income / (costs)		(1,659)	(1,124)
Profit before tax		15,259	11,727
Tax on profit	11	(2,382)	(2,511)
Profit for the financial year		12,877	9,216
Other comprehensive income for the year			
Re-measurement of net defined benefit obligation		(18,646)	(30,900)
Total tax costs on components of other comprehensive income		4,663	4,853
Other comprehensive income for the year		(13,983)	(26,047)
Total comprehensive income for the year		(1,106)	(16,831)

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

The notes on pages 18 to 48 form part of these financial statements.

Tyco Electronics UK Ltd
REGISTERED NUMBER:00550926

BALANCE SHEET
AS AT 30 SEPTEMBER 2022

	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	15	27,346	27,239
		<u>27,346</u>	<u>27,239</u>
Current assets			
Stocks	17	34,560	30,677
Debtors: amounts falling due after more than one year	18	15,460	34,413
Debtors: amounts falling due within one year	18	308,769	306,645
Cash at bank and in hand		28	35
		<u>358,817</u>	<u>371,770</u>
Creditors: amounts falling due within one year	20	(42,003)	(36,570)
Net current assets		<u>316,814</u>	<u>335,200</u>
Total assets less current liabilities		<u>344,160</u>	<u>362,439</u>
Creditors: amounts falling due after more than one year		(29,229)	(26,997)
Provisions for liabilities			
Deferred tax	25	(1,739)	(6,208)
Pension liability	28	(8,018)	(8,437)
Net assets		<u>305,174</u>	<u>320,797</u>
Capital and reserves			
Called up share capital		42,823	42,823
Capital reserve	26	5,009	4,526
Profit and loss account	26	257,342	273,448
		<u>305,174</u>	<u>320,797</u>

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

S C Cooper
Director



Date: 29/6/2023

Tyco Electronics UK Ltd

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Called-up share capital £000	Capital reserve £000	Profit and loss account £000	Total equity £000
At 1 October 2020	42,823	4,136	290,279	337,238
Comprehensive income for the year				
Profit for the year	-	-	9,216	9,216
Re-measurement of defined benefit obligation	-	-	(30,900)	(30,900)
Total tax costs on components of other comprehensive income, (note 11)	-	-	4,853	4,853
Other comprehensive income for the year	-	-	(26,047)	(26,047)
Total comprehensive income for the year	-	-	(16,831)	(16,831)
Contributions by and distributions to owners				
Capital reduction arising from share based payments	-	390	-	390
Total transactions with owners	-	390	-	390
At 1 October 2021	42,823	4,526	273,448	320,797
Comprehensive income for the year				
Profit for the year	-	-	12,877	12,877
Re-measurement of defined benefit obligation	-	-	(18,646)	(18,646)
Total tax costs on components of other comprehensive income, (note 11)	-	-	4,663	4,663
Other comprehensive income for the year	-	-	(13,983)	(13,983)
Total comprehensive income for the year	-	-	(1,106)	(1,106)
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(15,000)	(15,000)
Capital reduction arising from share based payments	-	483	-	483
Total transactions with owners	-	483	(15,000)	(14,517)
At 30 September 2022	42,823	5,009	257,342	305,174

The notes on pages 18 to 48 form part of these financial statements.

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

1. General information

Tyco Electronics UK Ltd is a company incorporated in the United Kingdom under the Companies Act. The Company is a private company limited by shares and is registered in England and Wales. The address of the registered office is Faraday Road, Dorcan, Swindon SN3 5HH.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements are presented in the Company's functional currency, Sterling (£)

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

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of TE Connectivity Ltd. as at 30 September 2022 and these financial statements may be obtained from Company Secretary, Mühlenstrasse 26, 8200 Schaffhausen, Switzerland.

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.3 Going concern

The Directors have considered the appropriateness of the going concern basis for the preparation of these financial statements.

The Company meets its day-to-day working capital requirements from a cash-pooling arrangement with an associated company within the group headed by TE Connectivity Ltd. The draw-down facility available to the Company is not limited and there is no fixed term to the arrangement. At 30 September 2022, the Company had funds invested in the cash pool amounting to £250m. During the year, the global free cash flow of the worldwide group was US\$1.8 billion (2021: US\$2.1 billion).

The current macroeconomic situation in the United Kingdom, including the increase in the cost of living, high inflation levels and high fuel costs is having impacts on both individuals and businesses. In making their assessment the Directors have given consideration to the risk set out above and the Company's cash reserves and funding requirements alongside the mitigating actions they have and are able to take. As a result, the Director's believe that this will have limited impact on the Company's financial performance.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.4 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of a state other than the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

2.5 Revenue

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

Sale of goods

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

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

2.6 Research and development

Expenditure on pure and applied research, and development expenditure, is written off in the year in which it is incurred.

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)**2.7 Interest income**

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.8 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Patents	-	over 6 years
Goodwill	-	over 10 years

2.10 Tangible fixed assets

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

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold buildings	-	over 35 - 50 years
Leasehold land and buildings	-	over the lease term, or the useful life of the asset if shorter
Plant and machinery	-	over 3 - 10 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.11 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each Balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each Balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. When there is an impairment of the investment in an active company, this is recorded within operating expenses. When there is an impairment of a dormant undertaking, this is recorded below operating profit/(loss).

2.13 Stocks

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

At each Balance Sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.14 Debtors

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

2.15 Cash and cash equivalents

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

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)**2.16 Financial instruments**

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

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

2.17 Creditors

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

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.18 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

The Company has a branch in Kenya and a representative office in Jordan. Both of these offices have a functional and presentational currency that is different to GBP (Kenyan shilling (KES) and Jordanian dinar (JOD) respectively). These have been translated per the below.

Transactions and balances

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

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

Foreign exchange differences that arise on the settlement of other transactions and on the translation of assets and liabilities are recognised in the Statement of comprehensive income.

2.19 Dividends

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

2.20 Share-based payments

The ultimate holding company issues equity-settled share-based payments to certain employees, as explained in note 13. These are measured at fair value, excluding the effect of non-market-based vesting conditions, at the date of grant. This fair value is expensed over the vesting period, based on the Company's estimate of shares that will eventually vest, and adjusted for the effect of non-market-based vesting conditions. The charge for these schemes are charged directly to the profit and loss account.

Fair value is measured by use of the Black-Scholes pricing model, which is considered by management to be the most appropriate. The expected life used in the model has been adjusted for the effects of non-transferability, exercise restrictions and behavioural considerations.

The ultimate holding company also provides employees within the UK with the option to purchase its shares through a savings-related share plan. The price of the shares is fixed at a discount of 15% of the average market price on the first day of the plan. The Company records an expense, based on its estimate of the discount related to shares expected to be purchased, on a straight-line basis over the life of the plan. The charge for the Save As You Earn scheme is credited directly to reserves as a capital contribution from the ultimate parent company.

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.21 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight-line basis over the lease term.

2.22 Pensions

The Company operates two defined benefit schemes. The schemes are funded and their assets are held separately from the Company in trustee-administered funds. The assets in the schemes are measured at fair value in accordance with FRS 102 and includes the use of appropriate valuation techniques. The liabilities are measured on an actuarial basis, using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date.

A Minimum Funding Requirement (MFR) is applied where applicable, i.e. a scheme's assets must cover its liabilities, assessed on a prescribed set of actuarial assumptions. Since 2005, this was replaced with scheme specific funding. For the Company, it is in place for one of its defined benefit schemes.

Where, at the reporting date, the present value of the defined benefit obligation is less than the fair value of the plan assets, the plan has a surplus. The Company shall recognise a surplus to the extent that it is able to recover the surplus either through reduced contributions or refunds from the plan.

For defined benefit schemes, the amounts charged to operating profit are the costs arising from employee services rendered during the period and the cost of plan introductions, benefit changes, settlement and curtailments. They are included as part of staff costs. The net interest costs on the net defined benefit liability is charged to the Statement of comprehensive income and included within finance costs. Re-measurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

The Company also operates a defined contribution scheme. Contributions are charged to the Statement of comprehensive income as they become payable in accordance with the rules of the scheme. Differences between contributions payable in the period and contributions actually paid are included in the Balance sheet as either accruals or prepayments.

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.23 Current and deferred taxation

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

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

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

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

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

Deferred tax assets and liabilities are not discounted.

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are addressed below:

- **Impairment of investments**
The recoverable amount of fixed asset investments requires judgement with regard to assessment based on net assets of the subsidiary compared to investment holding. All investments are fully impaired from previous years, see Note 16 for further details.
- **Pension benefits - actuarial assumptions**
The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The principal assumption used in determining the net cost of a pension is the discount rate. The discount rate is determined at the end of the year and all other key assumptions are based on current market conditions as considered appropriate by the actuary. See Note 28.

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

4. Turnover

The Company operates in three main segments:

Industrial solutions

The supply of products and solutions to the energy, industrial, aerospace, defence and marine, medical and channel businesses.

Transportation solutions

The supply of products and solutions to the automotive, industrial and commercial transportation, hybrid and electric mobility solutions and appliance tooling businesses.

Communication solutions

The supply of products and solutions to the data and services and appliances markets. We are also a leader in developing, manufacturing, installing and maintaining some of the world's most advanced subsea fibre optic communications systems.

An analysis of turnover by class of business is as follows:

	2022	<i>2021</i>
	£000	<i>£000</i>
Industrial solutions	178,865	<i>146,717</i>
Transportation solutions	4,648	<i>6,738</i>
Communication solutions	21,235	<i>18,136</i>
	204,748	<i>171,591</i>
	2022	<i>As restated</i>
	£000	<i>2021</i>
		<i>£000</i>
United Kingdom	153,375	<i>124,061</i>
Rest of Europe	11,321	<i>8,117</i>
Rest of the world	36,599	<i>35,777</i>
North America	3,453	<i>3,636</i>
	204,748	<i>171,591</i>

This note has been restated to correctly reflect the geographical split of turnover at the 2021 year end, this has no impact on the primary statements.

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

5. Profit before taxation

The profit before taxation is stated after charging/(crediting):

	2022	2021
	£000	£000
Depreciation of tangible fixed assets	4,716	4,694
Write down of tangible fixed assets	73	190
(Gain) on disposal of tangible fixed assets	(85)	(78)
Operating leases - land	1,048	647
Operating leases - plant	865	700
Recharge of expenses to related undertaking	(27,200)	(26,457)
Foreign exchange losses	260	248
Severance costs	3,550	6,411
Impairment of stock recognised as an expense	2,094	1,518
Reversal of impairment of stock	1,405	1,658
Research & development expenditure	-	41
	<u> </u>	<u> </u>

6. Auditor's remuneration

	2022	2021
	£000	£000
Auditor's remuneration for audit services	153	164
Auditor's remuneration for non-audit services	13	7
	<u> </u>	<u> </u>
	<u>166</u>	<u>171</u>

Auditor's remuneration for audit services includes fees amounting to £21,888 (2021: £11,459), borne on behalf of certain other subsidiary or affiliated undertakings. Auditor's remuneration for non audit services includes fees amounting to £6,180 (2021: £4,223), borne on behalf of certain other subsidiary or affiliated undertakings.

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

7. Employees

Staff costs were as follows:

	2022	2021
	£000	£000
Wages and salaries	53,046	48,075
Severance costs	3,550	6,411
Social security costs	5,450	4,728
Other pension costs (Note 29)	7,268	6,422
Share-based payments (Note 13)	1,301	1,277
	70,615	66,913

The average monthly number of employees, including the Directors, during the year was as follows:

	2022	2021
	No.	No.
Administration	83	86
Manufacturing	968	918
Sales	18	21
	1,069	1,025

8. Directors' remuneration

	2022	2021
	£000	£000
Directors' emoluments	535	741
Company contributions to defined contribution plans	27	26
	562	767

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

8. Directors' remuneration (continued)

	2022	<i>2021</i>
	£000	<i>£000</i>
Highest paid Director		
Emoluments	285	257
Company contributions to defined contribution plans	14	13
	299	270
	299	270

During the year and the prior year, the highest paid Director exercised share options in the ultimate holding company.

	2022	<i>2021</i>
	Number	<i>Number</i>
Number of Directors to whom retirement benefits accrued:		
Defined contribution plans	3	3
	3	3

During the year, three Directors (*2021: three*) exercised share options in the ultimate holding company.

9. Interest receivable

	2022	<i>2021</i>
	£000	<i>£000</i>
Interest receivable from group companies	1,313	254
	1,313	254

10. Other finance costs

		2022	<i>2021</i>
		£000	<i>£000</i>
Net interest on net defined benefit liability	28	(573)	(938)
Unwinding of discount on redeemable preference shares presented as a liability	22	2,232	2,061
		1,659	1,123
		1,659	1,123

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

11. Taxation

	2022	2021
	£000	£000
Corporation tax		
Current tax on profits for the year	3,336	1,786
Adjustments in respect of previous periods	(1,146)	(1)
Foreign tax relief/other relief	(1)	1
Total current tax	2,189	1,786
Deferred tax		
Origination and reversal of timing differences	49	196
Adjustments in respect of previous years	208	(4)
Changes to tax rates	(64)	533
Total deferred tax	193	725
Taxation on profit on ordinary activities	2,382	2,511
Analysis of tax charge included in other comprehensive income		
Deferred tax current year credit	(4,663)	(4,853)

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

11. Taxation (continued)

Factors affecting tax charge for the year

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

	2022 £000	2021 £000
Profit on ordinary activities before tax	<u>15,259</u>	<u>11,727</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	2,899	2,228
Effect of:		
Expenses not deductible for tax purposes	550	604
Tax rate changes	(64)	533
Share options	(65)	(249)
Adjustments to tax charge in respect of prior years	(937)	(5)
Effects of overseas tax rates	(1)	1
Group relief	-	(601)
	<u>2,382</u>	<u>2,511</u>

Factors that may affect future tax charges

Deferred tax assets have not been recognised on capital losses nor miscellaneous losses since there is insufficient evidence that the asset will be recovered £26,593,000 (2021: £26,593,000).

An increase in the UK Corporation tax rate from 19% to 25% (effective from 1 April 2023) has been substantively enacted. This will impact the company's future tax charge accordingly.

12. Dividends

	2022 £000	2021 £000
Dividends paid on ordinary shares of £Nil (2021: £Nil) per share	<u>15,000</u>	<u>-</u>

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

13. Share-based payments

The ultimate holding company, TE Connectivity Ltd., operates a number of share incentive schemes for employees of the group that it heads. Information relating to these schemes is set out below. Amounts expressed in \$ are United States dollars.

Stock option scheme

The stock option scheme is open to employees at a defined level of seniority and to others by special nomination. Options are exercisable at the closing price of the shares on the date of grant. The vesting period is spread over four years, with 25% of the award vesting on each anniversary of the grant. The options expire if they are not exercised within 10 years of the grant and they are forfeited except in certain circumstances if the employee leaves the group before the options vest.

Restricted unit awards scheme

The restricted unit awards scheme is open to employees at a defined seniority level and to others by special nomination. The award entitles the recipient to a specified number of shares. The vesting period is spread over four years, with 25% of the award vesting on each anniversary of the grant. The restricted units are forfeited except in certain circumstances if the employee leaves the group before the units vest.

Performance unit awards scheme

The performance unit awards scheme is open to employees at a defined seniority level and to others by special nomination. The award entitles the recipient to a number of shares, determined by attainment of performance criteria set at the time of grant. The range of earnings may be 0-200% of the units originally granted. Units generally vest three years after the date of grant. Unvested units are forfeited except in certain circumstances if the employee leaves the group before the end of the vesting period.

Save As You Earn scheme

The Save As You Earn scheme is open to all employees of the Company within the UK. The scheme grants participating employees the option to purchase shares with funds that have accumulated from regular monthly contributions over a three-year period. The price of the share options is fixed from the outset of the scheme, at 85% of the average share price on the day on which the options are valued. Options are forfeited except in certain circumstances if the employee leaves the group during the three-year period, but the contributions are returned.

Amounts charged to Statement of comprehensive income

The total charge for the year relating to equity-settled share-based payment transactions was as follows:

	2022	2021
	£000	£000
Stock option scheme	34	147
Restricted unit awards scheme	955	581
Performance awards scheme	(170)	159
Save As You Earn scheme	482	390
	1,301	1,277

The charge for the Save As You Earn scheme is credited directly to reserves as a capital contribution from the ultimate parent company (see note 26).

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

14. Intangible assets

	Patents £000	Goodwill £000	Total £000
Cost			
At 1 October 2021	30	66,992	67,022
At 30 September 2022	<u>30</u>	<u>66,992</u>	<u>67,022</u>
Amortisation			
At 1 October 2021	30	66,992	67,022
At 30 September 2022	<u>30</u>	<u>66,992</u>	<u>67,022</u>
Net book value			
At 30 September 2022	<u>-</u>	<u>-</u>	<u>-</u>
At 30 September 2021	<u>-</u>	<u>-</u>	<u>-</u>

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

15. Tangible fixed assets

	Freehold property £000	Long-term leasehold property £000	Plant and machinery £000	Total £000
Cost or valuation				
At 1 October 2021	34,200	573	78,667	113,440
Additions	301	(19)	4,124	4,406
Transfers intragroup	-	-	20	20
Disposals	(82)	(206)	(2,716)	(3,004)
Transfers between classes	(99)	-	99	-
At 30 September 2022	<u>34,320</u>	<u>348</u>	<u>80,194</u>	<u>114,862</u>
Depreciation				
At 1 October 2021	26,846	251	59,104	86,201
Charge for the year	744	126	3,846	4,716
Disposals	(67)	(204)	(2,640)	(2,911)
Transfers intragroup	-	-	(490)	(490)
Transfer between classes	(32)	-	32	-
At 30 September 2022	<u>27,491</u>	<u>173</u>	<u>59,852</u>	<u>87,516</u>
Net book value				
At 30 September 2022	<u>6,829</u>	<u>175</u>	<u>20,342</u>	<u>27,346</u>
At 30 September 2021	<u>7,354</u>	<u>323</u>	<u>19,562</u>	<u>27,239</u>

Restatement of cost and accumulated depreciation to reflect write downs of assets in prior years have gone through the write-down line, there has been no impact to prior year net book values.

	2022	2021
	£000	£000
Freehold land included above which is not depreciated	<u>869</u>	<u>869</u>

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

16. Fixed asset investments

	Investments in subsidiary companies £000	Other fixed asset investments £000	Total £000
Cost or valuation			
At 1 October 2021	78,689	1,012	79,701
At 30 September 2022	<u>78,689</u>	<u>1,012</u>	<u>79,701</u>
Impairment			
At 1 October 2021	78,689	1,012	79,701
At 30 September 2022	<u>78,689</u>	<u>1,012</u>	<u>79,701</u>
Net book value			
At 30 September 2022	<u>-</u>	<u>-</u>	<u>-</u>
At 30 September 2021	<u>-</u>	<u>-</u>	<u>-</u>

All the Company's direct holdings in subsidiaries, joint ventures, associates and other significant interests are shown below and are registered at Faraday Road, Dorcan, Swindon SN3 5HH.

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Principal activity	Class of shares	Holding
Critchley Group Limited	Inactive	Ordinary	100%

The Company does not have any indirect holdings in subsidiaries, joint ventures, associates or other significant interests.

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

17. Stocks

	2022	<i>2021</i>
	£000	<i>£000</i>
Raw materials and consumables	10,949	<i>10,424</i>
Work in progress	4,197	<i>2,950</i>
Finished goods and goods for resale	19,414	<i>17,303</i>
	34,560	<i>30,677</i>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Stock recognised in cost of sales during the year as an expense was £1,445k (2021: £760k)

18. Debtors

	2022	<i>2021</i>
	£000	<i>£000</i>
Due after more than one year		
Pension assets	15,460	<i>34,413</i>
	2022	<i>2021</i>
	£000	<i>£000</i>
Due within one year		
Trade debtors	9,614	<i>6,976</i>
Amounts owed by group undertakings (Note 19)	296,743	<i>294,941</i>
Corporation tax repayable	1,048	<i>3,508</i>
Other recoverable taxation	117	<i>306</i>
Prepayments and accrued income	1,247	<i>914</i>
	308,769	<i>306,645</i>

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

19. Amounts owed by group undertakings

	2022	<i>2021</i>
	£000	<i>£000</i>
Loan accounts interest-bearing cash pooling	257,027	<i>266,053</i>
	257,027	<i>266,053</i>
Trade accounts	39,716	<i>28,888</i>
	296,743	<i>294,941</i>

The loan accounts are unsecured and repayable on demand. Up to 25 December 2021, interest was calculated at 0.5% plus a base rate linked to the London Interbank Offer Rate. After 25 December 2021, interest is calculated at 0.05% plus a base rate linked to the Sterling Overnight Index Average.

20. Creditors: Amounts falling due within one year

	2022	<i>2021</i>
	£000	<i>£000</i>
Bank overdrafts	-	<i>2</i>
Trade creditors	15,480	<i>13,878</i>
Amounts owed to group undertakings	10,853	<i>8,506</i>
Other taxation and social security	5,371	<i>3,512</i>
Accruals and deferred income	10,299	<i>10,672</i>
	42,003	<i>36,570</i>

21. Amounts owed to group undertakings

	2022	<i>2021</i>
	£000	<i>£000</i>
Trade accounts	10,853	<i>8,506</i>

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
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22. Creditors: amounts falling due after more than one year

	2022	2021
	£000	£000
Original transfer from called-up share capital	3,338	3,338
Discounted amount		
At 1 October	23,659	21,598
Unwinding of discount	2,232	2,061
At 30 September	29,229	26,997

23. Loans

	2022	2021
	£000	£000
Bank loans and overdrafts	-	2
Redeemable preference shares presented as a liability	29,229	26,997
	29,229	26,999
	2022	2021
	£000	£000
Analysis of maturity of debt:		
Within one to five years or on demand	29,229	26,999

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

24. Share capital

	2022	<i>2021</i>
	£000	<i>£000</i>
Shares classified as equity		
Allotted, called-up and fully paid		
13,861,335 (<i>2021: 13,861,335</i>) Ordinary shares of £1 each	13,861	<i>13,861</i>
32,300,000 (<i>2021: 32,300,000</i>) Preference shares of £1 each	32,300	<i>32,300</i>
	<hr/> 46,161	<hr/> <i>46,161</i>
Redeemable preference shares presented as a liability	(3,338)	<i>(3,338)</i>
	<hr/> 42,823 <hr/>	<hr/> <i>42,823</i> <hr/>

The redeemable preference shares are presented as a liability (see note 22) and accordingly are excluded from called-up share capital in the Balance sheet.

The Company may redeem any of the redeemable preference shares at any time, on giving three months' notice. All the redeemable preference shares outstanding on 31 December 2023 must be redeemed on that date, subject to any statutory provisions affecting the redemption. No premium is payable on the redeemable preference shares currently allotted and paid up.

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

25. Deferred taxation

The Company had the following provision during the year:

	2022	<i>2021</i>
	£000	<i>£000</i>
At beginning of year	(6,208)	<i>(10,287)</i>
Charged to profit or loss	(193)	<i>(724)</i>
Charged to other comprehensive income	4,662	<i>4,803</i>
At end of year	<u>(1,739)</u>	<i><u>(6,208)</u></i>

The provision for deferred taxation is made up as follows:

	2022	<i>2021</i>
	£000	<i>£000</i>
Accelerated capital allowances	(472)	<i>35</i>
Short term timing differences	593	<i>250</i>
Pension - Deutsch Retirements Pensions plan	2,005	<i>2,110</i>
Pension - Tyco Electronics UK Pension plan	(3,865)	<i>(8,603)</i>
	<u>(1,739)</u>	<i><u>(6,208)</u></i>

26. Reserves**Share premium account**

The share premium account reserve contains the premium arising on issue of shares.

Other reserves

Capital reserves contain capital contributions arising from share-based payments.

Profit and loss account

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

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

27. Capital commitments

At 30 September 2022 the Company had capital commitments as follows:

	2022	<i>Restated</i>
	£000	<i>2021</i>
		<i>£000</i>
Capital commitments	2,442	<i>1,133</i>

This note has been restated to correctly reflect identified commitments at the 2021 year end, this has no impact on the primary statements.

28. Defined benefit pension plans

The Company is the principal employer of Tyco Electronics UK Pension Plan, a defined benefit pension plan, and the Deutsch Retirement Benefits Plan, a defined benefit pension plan. Sections "a" to "b" of this note relate to the defined benefit pension plans.

In addition, the Company participates in a defined contribution pension scheme (see note 28).

On 26 October 2018, the High Court of Justice of England and Wales handed down a judgment in a case relating to the equalisation of member benefits for the gender effects of Guaranteed Minimum Pensions ("GMP equalisation"). This created a precedent for other UK schemes with GMPs. As a result the company has obtained an actuary calculation to estimate the impact. An additional expense of £Nil (2021: £Nil) has been recognised in the profit and loss account in respect of past service costs relating to GMP equalisation.

On 20 November 2020, the High Court ruled that individual transfer payments made since 17 May 1990 would need to be equalised for the effects of GMP. As a result, an estimate has been made for the potential impact of this ruling on the Tyco Electronics UK Defined Benefit Pension Plan. Using available data from 2005 to 2019, together with an assumed level of transfers between 1990 and 2004, we have estimated an approximate impact of £310,000.

The assets and liabilities of the schemes as at 30 September 2022 are:

	2022	<i>2021</i>
	£000	<i>£000</i>
Schemes with net pension liability		
Fair value of plan assets	14,822	<i>22,097</i>
Present value of defined benefit obligation	(19,236)	<i>(26,908)</i>
	(4,414)	<i>(4,811)</i>
Minimum funding requirement	(3,604)	<i>(3,626)</i>
	(8,018)	<i>(8,437)</i>

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

28. Defined benefit pension plans (continued)

Schemes with net pension asset

	2022 £000	2021 £000
Fair value of plan assets	418,201	646,579
Present value of defined benefit obligation	(402,741)	(612,166)
	15,460	34,413
	15,460	34,413

	2022 £000	2021 £000
All schemes		
Fair value of plan assets	433,023	668,676
Present value of the defined benefit obligation	(421,977)	(639,074)
	11,046	29,602

Minimum funding requirement	(3,604)	(3,626)
	7,442	25,976
	7,442	25,976

The gross pension asset/(liability) is analysed as follows:

	2022 £000	2021 £000
Tyco Electronics UK Pension Plan (see section "a")	15,460	34,413
Deutsch Retirement Benefits Plan (see section "b")	(8,018)	(8,437)
	7,442	25,976
	7,442	25,976

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

28. Defined benefit pension plans (continued)

(a) Tyco Electronics UK Pension Plan

The scheme is a funded defined benefit pension plan. As at 31 March 2013, the plan closed to future accrual, with all active members becoming deferred members after that date. The last full actuarial valuation was carried out at 30 September 2016 and the next one is expected to be carried out with an effective date of 30 September 2020.

Reconciliation of scheme liabilities:

	2022	2021
	£000	£000
At 1 October	612,166	602,104
Interest cost	11,698	9,174
Actuarial (gains)/losses	(196,570)	21,040
Plan introductions, changes, curtailments and settlements	-	310
Benefits paid	(24,553)	(20,462)
At 30 September	402,741	612,166

Reconciliation of the fair value of scheme assets:

	2022	2021
	£000	£000
At 1 October	646,579	667,765
Interest income	12,357	10,182
Actuarial return on assets not included in interest income	(214,934)	(9,596)
Benefits paid	(24,553)	(20,462)
Administrative expenses	(1,248)	(1,310)
At 30 September	418,201	646,579

Gross Balance sheet position:

	2022	2021
	£000	£000
Actuarial value of scheme liabilities	(402,741)	(612,166)
Fair value of scheme assets	418,201	646,579
	15,460	34,413

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

28. Defined benefit pension plans (continued)

Expense recognised in Statement of comprehensive income:

	2022 £000	2021 £000
Net interest (income)/cost	(659)	(1,008)
Plan introductions, changes, curtailments and settlements	-	310
Administrative cost	1,248	1,310
Net expense	589	612

The fair value of the scheme assets is analysed as follows:

	2022 £000	2021 £000
Equity securities	118,769	221,402
Debt securities	138,007	323,748
Other	161,425	101,429
	418,201	646,579

Principal actuarial assumptions as at 30 September:

	2022	2021
Discount rate	5.10 %	1.95 %
Long-term rate of return on assets	- %	- %
Future price inflation: RPI	3.55 %	3.35 %
Future price inflation: CPI	3.20 %	2.90 %
Rate of salary increase	n/a	n/a
Pension increases for in-payment benefits	2.20 %	2.10 %
Pension increases for deferred benefits	2.50 %	2.55 %
Life expectancy for a male member age 65 (yrs)	22.2	22.2
Life expectancy for a male member age 50 (yrs)	23.1	23.1
Life expectancy for a female member age 65 (yrs)	24.0	24.0
Life expectancy for a female member age 50 (yrs)	25.1	25.1

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

28. Defined benefit pension plans (continued)

(b) Deutsch Retirement Benefits Plan

Deutsch UK was previously the principal employer of this plan. The transfer of trade and assets from Deutsch UK to Tyco Electronics UK Ltd, on 25 October 2014, included the defined benefit pension scheme along with transferring the principal employer from Deutsch UK to Tyco Electronics UK Ltd. A net pension deficit of £4,374,000 was transferred in on 25 October 2014.

The scheme is a funded defined benefit pension plan and has closed to new members since December 2002. A full actuarial valuation of the scheme was carried out on 31 December 2020

Reconciliation of scheme liabilities:

	2022 £000	2021 £000
At 1 October	26,908	28,012
Interest cost	513	426
Past service cost: vested benefits	-	-
Actuarial (gains)/losses	(6,943)	(445)
Benefits paid	(1,242)	(1,085)
At 30 September	19,236	26,908

Reconciliation of the fair value of scheme assets:

	2022 £000	2021 £000
At 1 October	22,097	23,121
Interest income	427	355
Actuarial (losses)/return on assets not included in interest income	(7,248)	(995)
Employers' contributions	903	825
Benefits paid	(1,242)	(1,085)
Administrative expenses	(115)	(124)
At 30 September	14,822	22,097

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

28. Defined benefit pension plans (continued)

Gross Balance sheet position:

	2022	2021
	£000	£000
Actuarial value of scheme liabilities	(19,236)	(26,908)
Fair value of scheme assets	14,822	22,097
	(4,414)	(4,811)
Minimum funding requirement		
At 1 October	(3,626)	(3,913)
Current year movement	22	287
Pension deficit	(8,018)	(8,437)

Expense recognised in the Statement of comprehensive income:

	2022	2021
	£000	£000
Net interest cost	86	70
Past service cost: vested benefits	-	-
Administrative cost	115	124
Net expense	201	194

The fair value of the scheme assets is analysed as follows:

	2022	2021
	£000	£000
Equity securities	2,254	4,493
Debt securities	5,359	6,441
Other	7,209	11,163
	14,822	22,097

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

28. Defined benefit pension plans (continued)

Principal actuarial assumptions at 30 September:

	2022	2021
Discount rate	5.10 %	1.95 %
Long-term rate of return on assets	n/a	n/a
Future price inflation: RPI	3.55 %	3.35 %
Future price inflation: CPI	3.20 %	2.95 %
Rate of salary increase	n/a	n/a
Pension increases for in-payment benefits	3.10 %	2.90 %
Pension increases for deferred benefits	3.55 %	3.35 %
Life expectancy for a male member age 65 (yrs)	22.3	22.2
Life expectancy for a male member age 45 (yrs)	23.6	23.5
Life expectancy for a female member age 65 (yrs)	24.1	24.0
Life expectancy for a female member age 45 (yrs)	25.6	25.4

The assets of the scheme are held separately from the Company in independently administered funds.

The total pension cost of the scheme, charged to the Statement of comprehensive income for the year, was £5,975,000 (2021: £5,693,000). The pension liability at the year-end was £521,000 (2021: £467,000).

29. Other pension information

The amount of other pension costs included in staff costs is reconciled as follows:

	2022	2021
	£000	£000
Administrative costs relating to defined benefit schemes	1,293	806
Contributions to defined contribution schemes	5,975	5,693
Other pension costs total	7,268	6,499

Tyco Electronics UK Ltd

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

30. Commitments under operating leases

At 30 September 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022	2021
	£000	£000
Land and buildings		
Not later than 1 year	345	363
Later than 1 year and not later than 5 years	922	1,041
Later than 5 years	1,476	1,506
	2,743	2,910
	2,743	2,910
	2022	2021
	£000	£000
Other		
Not later than 1 year	869	1,079
Later than 1 year and not later than 5 years	693	875
	1,562	1,954
	1,562	1,954

31. Contingent liabilities

At 30 September 2022, the company had given guarantees to HM Revenue and Customs in respect of duty deferment to the sum of £1.1m (2021: £1.1m) and also guarantees to HM Customs and Excise in respect of duty deferment of £100k (2021: £100k). In addition, at 30 September 2022, the company had given a guarantee to Hargreaves Properties Limited in respect of a property lease of £Nil (2021: £Nil).

32. Related party transactions

The Company has availed of the exemption under FRS 102 (Section 33) - Related Party Transactions from disclosure of inter-group related party transactions.

33. Controlling party

The immediate parent company is Tyco Electronics UK Holdings Ltd, a company incorporated in the United Kingdom.

The Company's ultimate parent and controlling party is TE Connectivity Ltd., a company incorporated in Switzerland.

TE Connectivity Ltd. is the parent of the largest and smallest group in which the results of the Company are consolidated. The financial statements of that company may be obtained from the registered office at Company Secretary, Mühlenstrasse 26, 8200 Schaffhausen, Switzerland.