

G.T.K. (U.K.) LTD.

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

G.T.K. (U.K.) LTD.

COMPANY INFORMATION

Directors	J E Morath J Boaden
Registered number	02460213
Registered office	Unit C2 Antura Bond Close Basingstoke Hampshire RG24 8PZ
Independent auditors	James Cowper Kreston Audit Chartered Accountants and Statutory Auditor Reading Bridge House George Street Reading Berkshire RG1 8LS

G.T.K. (U.K.) LTD.

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

Introduction

The results shown in these financial statements are for the year ended 31 March 2025. The comparative figures are for the year ended 31 March 2024.

Business review

Summary results are:

	31 March 2025	31 March 2024
	£000	£000
Turnover	18,006	19,145
Gross Profit	6,417	6,824
Operating Profit	1,943	2,227
Adjusting Items*	53	237
Adjusted Operating Profit	1,996	2,464
Adjusted Operating Profit as a % of turnover	11.1%	12.9%
*Adjusting Items includes:		
Royalty Charge	-	-
Management Charge	-	184
Share Award Payments	-	-
Bonus Payments	53	53
Total	53	237
Net Assets	9,571	7,743

The principal activity of the company is the manufacture and sale of custom cable assemblies, connectors, optoelectronics and providing a full manufacturing solution service, including printed circuit board full assembly and packaging options.

The G.T.K.(U.K.) Ltd group actively works with its customers to offer both highly competitive prices and acceptable gross margin.

During the year, the Company experienced a 6% reduction in revenue compared to the prior year. This decline was primarily due to previous customer overstocking and a slower-than-expected recovery in the global market, which led to softened demand, particularly for manufacturing solution-type products. Additionally, a portion of revenue was redirected to our Romanian subsidiary, further contributing to the overall decrease.

Despite these challenges, gross profit declined by £0.41m (2024: £6.8m), largely reflecting the reduction in revenue. The impact of inflation and rising raw material costs was effectively mitigated through proactive cost management by the Directors, helping to maintain a stable gross margin percentage. The Company maintains a strong balance sheet which continues to support confidence in the future.

The Company continued to make strategic progress, notably by expanding its customer base within the defence industry. It remains committed to customer service excellence, with a strong focus on product quality and on-time delivery. Efforts to drive supply chain

efficiency are ongoing. In addition, the Company has taken continued action to minimise exchange rate exposure across the Group, supporting the preservation of gross margins and overall financial stability.

Globally, margins continued to be affected across all major industries as supply chains continued to cope with the ongoing economic impact of the pandemic and the inflation. Despite aggressive industry price increase caused by cost increases, the Company's strong partnerships with its suppliers continued to help stabilise and minimise the impact on its customers.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

The Company's strategic focus and ongoing investment in its facilities and employees are expected to further increase operational efficiency and cost competitiveness. These initiatives will enable the Company to maintain high service quality for its customers while also being well-positioned to capitalise on new opportunities and respond effectively to economic volatility.

Principal risks and uncertainties

As a matter of course, the Company regularly recognises and actively manages the business's risk and uncertainties both internally and externally, taking steps to mitigate these through sound business practices. These include leveraging managerial knowledge, implementing preventative measures, diversifying operations, and securing appropriate insurances coverage. Continued investment in employees, the product portfolio, logistics, infrastructure and the growing depth and breadth of its customers and suppliers helps reduce exposure across business segments.

The Company recognises the importance of a well-motivated and well-trained workforce for its long-term success. During the year, it has enhanced its internal communication strategy to ensure timely and relevant updates that support effective working and collaboration. In addition, comprehensive bullying and harassment awareness training was delivered to all employees, reinforcing the Company's zero-tolerance policy and empowering staff to contribute to a respectful and safe working environment.

The Directors continue to monitor the ongoing impacts of the war in Ukraine, tensions in the Middle East, global supply chain disruptions, and inflationary pressures. They have assessed the potential effects on the Company and have taken steps to prepare and adapt working practices accordingly.

The Directors acknowledge the growing threat posed by cyber-attacks. In response, the Company has reinforced its cybersecurity infrastructure and continues to invest in staff training to raise awareness against potential threats.

The Company's commitment to sustainability remains firmly embedded within the Group's long-term strategy. Efforts continue to focus on achieving a balanced approach to environmental impact, social responsibility, and strong governance. Key initiatives during the year have supported the Group's ambition to operate responsibly, reduce its environmental footprint, and contribute positively to the communities in which it operates.

Financial risk management

The Company's operations subject it to certain financial risks including foreign exchange risk and credit risk and liquidity risk.

The Company is subject to exchange rate fluctuations due to the multi-currency nature of its operations. Revenues are primarily denominated in GBP, USD, and EUR, while purchases of goods for resale are made in USD, EUR, and NTD in varying proportions. Overheads are incurred in GBP, NTD, and EUR. To manage this exposure, the Directors actively monitor currency positions and aim to align currency inflows and outflows through natural hedging wherever possible. Any remaining currency translation exposure—arising from converting foreign currency revenues and costs into the functional currency (GBP) is not hedged. The Company does not engage in formal currency hedging instruments

The Company's principal credit risk arises from trade receivables. To mitigate this risk, the Directors establish credit limits for customers based on their payment history and third-party credit assessments. Customer creditworthiness is regularly reviewed, and aged receivables are monitored weekly. Customers identified as high risk are placed on hold, and any future credit sales require management approval. Alternatively, pro forma invoices are issued, requiring payment in advance.

Liquidity risk is managed through weekly monitoring of cash positions and regular review of cash flow forecasts. The Company also has access to additional funding through the Group's financing facility, providing flexibility to meet short-term liquidity needs.

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Financial key performance indicators

The Directors monitor turnover compared to budget and operating profit before Volex plc charges. These are monitored regularly with explanations sought for variances against budgets. The financial position of the Company at the year end is shown in the Balance Sheet on page 10.

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

J E Morath

Director

Date: 5 September 2025

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2025**

The directors present their report and the financial statements for the year ended 31 March 2025.

Directors

The directors who served during the year were:

J E Morath
J Boaden

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Results and dividends

The profit for the year, after taxation, amounted to £1,862,476 (2024 - £2,086,953).

There were dividends of £nil (2024: £3,178,069) authorised by the Directors and distributed by the Company during this financial year.

Directors' indemnities and insurance

In accordance with the Companies Act 2006 and the Company's Articles of Association, the Company has purchased Directors' and Officers' Liability insurance. The indemnity was in force throughout the last financial year and is currently in force at the date of this report. The Company reviews its insurance policies on an annual basis in order to satisfy itself that its level of cover remains adequate.

Financial risk management

Further details of the Company's financial risk management, particularly with regard to exchange rate management, can be found in the strategic report.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Future developments

Further details of the Company's future strategy can be found in the Strategic report section of this Annual report and financial statements.

Going Concern

The financial statements have been prepared on the going concern basis, under the historical cost of convention unless otherwise specified within these accounting policies. The Directors are satisfied that there are no material uncertainties that cast doubt on the Company's going concern status.

In addition, the performance of the Company has also been considered as part of the Volex plc group's going concern assessment.

Overseas branch

The Company has a branch in Taiwan that sources products from the Far East for the Company.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

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

Auditors

The auditors, James Cowper Kreston Audit, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

J E Morath

Director

Date: 5 September 2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF G.T.K. (U.K.) LTD.

Opinion

We have audited the financial statements of G.T.K. (U.K.) LTD. (the 'Company') for the year ended 31 March 2025, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2025 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF G.T.K. (U.K.) LTD. (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF G.T.K. (U.K.) LTD. (CONTINUED)

Auditors' 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 Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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 Auditors' 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 Auditors' 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.

Alexander Peal BSc (Hons) FCA DChA (Senior Statutory Auditor)

for and on behalf of

James Cowper Kreston Audit

Chartered Accountants and Statutory Auditor

Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS

5 September 2025

G.T.K. (U.K.) LTD.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
Turnover	4	18,006,720	19,145,041
Cost of sales		(11,590,095)	(12,320,984)
Gross profit		6,416,625	6,824,057
Administrative expenses		(4,506,395)	(4,638,944)
Other operating income		32,086	41,847
Operating profit	5	1,942,316	2,226,960
Interest receivable and similar income		1,078	1,312
Interest payable and similar expenses		(230)	(1,955)
Profit before tax		1,943,164	2,226,317
Tax on profit	8	(80,688)	(139,364)
Profit for the financial year		1,862,476	2,086,953
Other comprehensive income for the year			
Currency translation differences		(34,980)	(177,211)
Other comprehensive income for the year		(34,980)	(177,211)
Total comprehensive income for the year		1,827,496	1,909,742

The notes on pages 12 to 24 form part of these financial statements.

G.T.K. (U.K.) LTD.
REGISTERED NUMBER: 02460213

BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	10	175,836	151,875
Investments	11	288,851	288,851
		464,687	440,726
Current assets			
Stocks	12	2,710,554	3,205,305
Debtors: amounts falling due within one year	13	11,103,163	7,468,021
Cash at bank and in hand	14	2,193,371	2,227,001
		16,007,088	12,900,327
Creditors: amounts falling due within one year	15	(6,869,747)	(5,575,731)
		9,137,341	7,324,596
Net current assets		9,137,341	7,324,596
Total assets less current liabilities		9,602,028	7,765,322
Provisions for liabilities			
Deferred tax	17	(31,065)	(21,855)
		(31,065)	(21,855)
Net assets		9,570,963	7,743,467
Capital and reserves			
Called up share capital	18	100	100
Capital redemption reserve	19	40	40
Profit and loss account	19	9,570,823	7,743,327
		9,570,963	7,743,467

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

J E Morath

Director

Date: 5 September 2025

The notes on pages 12 to 24 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025**

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 April 2023	100	40	9,011,654	9,011,794
Profit for the year	-	-	2,086,953	2,086,953
Currency translation differences	-	-	(177,211)	(177,211)
Dividends: Equity capital	-	-	(3,178,069)	(3,178,069)
At 1 April 2024	100	40	7,743,327	7,743,467
Profit for the year	-	-	1,862,476	1,862,476
Currency translation differences	-	-	(34,980)	(34,980)
At 31 March 2025	100	40	9,570,823	9,570,963

The notes on pages 12 to 24 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1. General information

G.T.K. (U.K.) Ltd is a private company limited by shares and is incorporated, domiciled and registered in England, United Kingdom. The address of the registered office and principal place of business is Unit C2, Antura, Bond Close, Basingstoke, Hampshire, RG42 8PZ.

The principal activity of the Company is that of manufacturing and distribution of electronic components including cable assemblies, connectors, displays, power cords and manufacturing solutions.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The 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 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Volex Plc as at 31 March 2025 and these financial statements may be obtained from Companies House.

2.3 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 any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.4 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.

2.5 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.

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

Depreciation is provided on the following basis:

Short-term leasehold property	-	20%	per annum
Plant & office equipment	-	20%	per annum

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

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

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

2. Accounting policies (continued)

2.8 Cash and cash equivalents

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

2.9 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with 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.

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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

2.11 Operating leases: the Company as lessee

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.12 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.14 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

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

The preparation of financial statements in conformity with generally accepted accounting principles requires the Directors to make judgments and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported income and expense during the reported periods. Although these judgments and assumptions are based on the Directors' best knowledge of the amount, events or actions, actual results may differ from these estimates.

Stock

Stock is carried at the lower of cost and net realisable value, which is calculated as the estimated sales proceeds less costs of sales. Factors considered in the determination of net realisable value are the ageing category and condition of stock, recent stock utilisation and forecasts of projected stock utilisation. Reviews of the provision held against damaged obsolete and slow-moving stock are carried out at least quarterly by management and these reviews require the application of judgement and estimates. Changes to these estimates could result in changes to the net valuation of stock.

Trade debtors

Trade debtors are carried at cost with provisions against recoverability made where appropriate. Factors considered in making provisions are the credit rating of the debtor, their payment history, the availability of credit insurance on the debtor, the ageing of the debt and any stock held specifically for the debtor and not yet invoiced. Reviews of provisions held against outstanding debtors are carried out at least quarterly by management and these reviews require the application of judgement and estimates. Changes to these estimates could result in changes to the amount of provisions.

4. Turnover

The Company has a single class of business being the global provision of electronics solutions including cable assemblies, connectors, displays, power cords and manufacturing solutions. The analysis of turnover by country of destination is:

Analysis of turnover by country of destination:

	2025	2024
	£	£
United Kingdom	15,059,646	16,023,404
Europe	1,094,462	1,566,913
Rest of the world	1,852,612	1,554,724
	<u>18,006,720</u>	<u>19,145,041</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

5. Operating profit

The operating profit is stated after charging:

	2025	2024
	£	£
Depreciation of tangible fixed assets	69,489	64,114
Fees payable to the Company's auditors for the audit of the Company's annual financial statements	25,450	24,700
Exchange differences	(95,592)	(47,572)
Other operating lease rentals	222,283	203,311
Defined contribution pension cost	<u>82,918</u>	<u>77,108</u>

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2025	2024
	£	£
Staff salaries and PHI	2,707,285	2,544,609
Social security costs	275,048	262,130
Cost of defined contribution scheme	82,918	77,107
	<u>3,065,251</u>	<u>2,883,846</u>

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

	2025	2024
	No.	No.
Sales	16	17
Operations	28	23
Admin	48	51
	<u>92</u>	<u>91</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

7. Directors' remuneration

	2025 £	2024 £
Directors salaries	226,687	227,584
Company contributions to defined contribution pension schemes	8,042	8,042
	<u>234,729</u>	<u>235,626</u>

During the year retirement benefits were accruing to 1 director (2024 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £226,687 (2024 - £227,584).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,042 (2024 - £8,042).

Key management personnel are defined as the directors of the company. Key management personnel remuneration for the year is £234,749 (2024: £235,626).

8. Taxation

	2025 £	2024 £
Corporation tax		
Current tax on profits for the year	-	124,952
Adjustments in respect of previous periods	(7,938)	-
Double taxation relief	-	(65,156)
	<u>(7,938)</u>	<u>59,796</u>
Foreign tax		
Foreign tax on income for the year	79,474	65,156
	<u>71,536</u>	<u>124,952</u>
Deferred tax		
Origination and reversal of timing differences	10,944	19,223
Adjustments in respect of prior years	(1,792)	(4,811)
	<u>9,152</u>	<u>14,412</u>
Tax on profit	<u>80,688</u>	<u>139,364</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2024 - lower than) the standard rate of corporation tax in the UK of 25% (2024 - 25%). The differences are explained below:

	2025 £	2024 £
Profit on ordinary activities before tax	<u>1,943,164</u>	<u>2,226,317</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2024 - 25%)	485,791	556,579
Effects of:		
Expenses not deductible for tax purposes	3,820	4,279
Adjustments in respect of prior years	(9,730)	(4,812)
Group relief claimed for nil consideration	(399,193)	(416,682)
Total tax charge for the year	<u><u>80,688</u></u>	<u><u>139,364</u></u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

9. Dividends

	2025 £	2024 £
Dividends	-	3,178,069
	<u><u>-</u></u>	<u><u>3,178,069</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

10. Tangible fixed assets

	Short-term leasehold property £	Plant & office equipment £	Total £
Cost or valuation			
At 1 April 2024	292,408	793,233	1,085,641
Additions	9,562	83,906	93,468
Disposals	-	(57,413)	(57,413)
Exchange adjustments	-	(5,210)	(5,210)
At 31 March 2025	<u>301,970</u>	<u>814,516</u>	<u>1,116,486</u>
Depreciation			
At 1 April 2024	265,573	668,193	933,766
Charge for the year	18,281	51,208	69,489
Disposals	-	(57,413)	(57,413)
Exchange adjustments	-	(5,192)	(5,192)
At 31 March 2025	<u>283,854</u>	<u>656,796</u>	<u>940,650</u>
Net book value			
At 31 March 2025	<u>18,116</u>	<u>157,720</u>	<u>175,836</u>
At 31 March 2024	<u>26,835</u>	<u>125,040</u>	<u>151,875</u>

11. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2024	288,851
At 31 March 2025	<u>288,851</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
GTK Electronics GmbH	Roomberg 25b, 51381 Leverkusen, Germany	Direct	Ordinary	100%
GTK RO S.r.l	Str. Fantana Popova, Nr.36, Et. 1, Cod Postal, 200319, Craiova, Doij, Romania	Direct	Ordinary	100%
GTK Limited (dormant)	Unit C2 Antura, Bond Close, Basingstoke, Hampshire, UK, RG24 8PZ	Direct	Ordinary	100%

12. Stocks

	2025 £	2024 £
Raw materials and consumables	1,048,294	1,627,857
Work in progress (goods to be sold)	197,220	196,538
Finished goods and goods for resale	1,465,040	1,380,910
	<u>2,710,554</u>	<u>3,205,305</u>

A provision of £294,139 (2024: £254,341) is held at the year end against the cost of stocks for slow moving and obsolete products.

13. Debtors

	2025 £	2024 £
Trade debtors	4,047,882	4,272,298
Amounts owed by group undertakings	6,888,267	2,981,032
Other debtors	67,937	91,531
Prepayments and accrued income	99,077	123,160
	<u>11,103,163</u>	<u>7,468,021</u>

The amounts owed by group undertakings are unsecured, non-interest bearing and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

14. Cash and cash equivalents

	2025 £	2024 £
Cash at bank and in hand	2,193,371	2,227,001
	<u>2,193,371</u>	<u>2,227,001</u>

15. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	3,314,156	3,087,667
Amounts owed to group undertakings	2,495,790	1,733,527
Corporation tax	97,461	59,796
Other taxation and social security	469,645	323,568
Other creditors	33,247	20,130
Accruals and deferred income	459,448	351,043
	<u>6,869,747</u>	<u>5,575,731</u>

The amounts owed to group undertakings are unsecured, non-interest bearing and are repayable on demand.

The Company has granted a charge over its assets to Virgin Money UK Plc in respect of amounts owed to Virgin Money UK Plc from time to time under an invoice discounting facility and a fixed charge in favour of HSBC Continental Europe in order to secure amounts owed by Volex plc.

16. Financial instruments

	2025 £	2024 £
Financial assets		
Financial assets measured at amortised cost	<u>11,006,483</u>	<u>7,344,862</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(6,302,632)</u>	<u>(5,192,367)</u>

Financial assets measured at amortised cost comprise trade and other debtors, and amounts owed by group. Financial liabilities measured at amortised cost comprise bank overdraft, trade and other creditors, amounts owed to group and accruals.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

17. Deferred taxation

	2025 £	2024 £
At beginning of year	(21,855)	(7,149)
(Charged)/credited to profit or loss	(9,210)	(14,706)
At end of year	<u>(31,065)</u>	<u>(21,855)</u>

The provision for deferred taxation is made up as follows:

	2025 £	2024 £
Accelerated capital allowances	(41,993)	(34,943)
Short term timing differences	10,928	13,088
	<u>(31,065)</u>	<u>(21,855)</u>

18. Share capital

	2025 £	2024 £
Allotted, called up and fully paid		
100 (2024 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

19. Reserves

Capital redemption reserve

The reserve records the nominal value of shares repurchased by the Company.

Profit and loss account

The profit and loss account represents cumulative profits available for distribution.

20. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £82,918 (2024: £77,107). No contributions were outstanding as at 31 March 2025 or 31 March 2024.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

21. Commitments under operating leases

At 31 March 2025 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2025 £	2024 £
Not later than 1 year	298,615	130,824
Later than 1 year and not later than 5 years	1,315,403	-
	<u>1,614,018</u>	<u>130,824</u>

22. Related party transactions

The Company is exempt from disclosing related party transactions with other 100% owned members of the group headed by Volex plc by virtue of FRS 102 section 33.1A.

23. Controlling party

Volex plc (the ultimate parent company) is the largest and smallest group of which the Company is a member and for which group financial statements are drawn up and is the ultimate parent controlling party and is incorporated in the UK. Copies of the financial statements can be obtained from Volex plc, Unit C1, Antura, Bond Close, Basingstoke, Hampshire, RG24 8PZ, UK.

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