

ULTRA

Annual report and financial
statements
Giga Communications
Limited

For the Year Ended 31 December 2022



Company No. 05068503

Company information

Company registration number	05068503
Registered office	Unit C1 Knaves Beech Business Centre Davies Way Loudwater Wooburn Green High Wycombe HP10 9UT United Kingdom
Directors	Graham Kirk (appointed 11 Jan 2023) Richard Webb (appointed 11 Jan 2023) Simon Pryce (resigned 11 Jan 2023) Michael Baptist (resigned 31 Aug 2022)
Secretary	Graham Kirk (appointed 11 Jan 2023) Anant Prakash (resigned 27 Sept 2022)
Auditor	Deloitte LLP Statutory Auditor Reading United Kingdom

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Strategic Report

The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006. The Strategic and Directors' reports have been prepared in accordance with the applicable legal requirements.

Cautionary Statement

This Strategic Report has been prepared solely to provide additional information to shareholders to assess the company's strategies and the potential for those strategies to succeed.

The Strategic Report contains certain forward-looking statements. These statements are made by the directors in good faith based on the information available to them up to the time of their approval of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

The business model

The company trades within the Intelligence & Communications Strategic Business Unit of the Ultra Electronics Holdings Limited Group ("Group").

The majority of trade, assets and obligations of the company were assigned to Ultra Electronics Limited on 1st January 2019 as part of a group restructure and subsequently reassigned to Ultra I&C Limited on 1 November 2022. A small number of trading partner relationships will continue to be supported by the Company for a period of at least twelve months from the signing of the financial statements.

The Company sells satellite and microwave communications equipment to its military and broadcast customers through its global network of agents and distributors. The business, that now trades as part of Ultra I&C Limited, is an industry leader for mobile and flyaway satellite earth stations with a focus on wireless broadband communications as the core technology.

All Ultra businesses are expected to maximise their relationships with customers for the long-term, through:

- Developing a close understanding of customer needs
- Sustained on-time delivery of high-quality products and services
- Encouraging a long-term strategic relationship

Review of the business

There was no trade within the open contracts of the Company within the year. The loss for the year includes the loss made on foreign currency translation of monetary assets and liabilities.

The directors report an operating loss for the year of £159,008 (2021: profit £19,460). There was a trading loss for the financial year after taxation amounting to £159,008 (2021: profit £19,460), predominantly due the impact of net foreign exchange losses of £150,728 (2021: gains £51,310). No dividends were paid in the year (2021: £nil). Net assets of the business decreased to £3,202,093 (2021: £3,361,101).

On 16 August 2021, the Parent Company Ultra Electronics Holdings plc announced that they had reached agreement with the Board of Cobham Ultra Acquisitions Limited, a wholly-owned indirect subsidiary of Cobham Group Holdings Limited ("Cobham") on the terms and conditions of a recommended all cash acquisition of the entire issued, and to be issued, ordinary share capital of Ultra Electronics Holdings plc by Cobham (the "Acquisition"). Cobham Group Holdings Limited is backed by Advent International. This offer was subsequently approved by Ultra Electronics Holdings plc's shareholders.

Strategic Report (continued)

On 6 July 2022, the UK Government Business Secretary cleared the acquisition to proceed. The acquisition completed on 4 August 2022 and Ultra Electronics Holdings plc was de-listed from the London Stock Exchange and renamed Ultra Electronics Holdings Limited.

Key Performance Indicators

The Company is wholly owned by Ultra Electronics Holdings Limited. Its principal activity is to support its retained contracts. Therefore, the directors do not believe that key performance indicators are necessary or appropriate for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

Credit risk

The company has no significant concentrations of credit risk. It has policies in force to ensure that sales of products and services are made with appropriate credit security measures in place.

Liquidity risk

The company benefits from treasury support from its parent company.

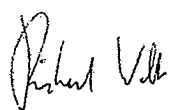
Foreign exchange risk

Foreign exchange risk associated with transactions in US Dollars is managed by the company's participation in the treasury cash management function operated by its parent company.

Governance, Compliance & Internal Controls

The company operates in a highly regulated environment and is subject to a range of regulatory, governance and compliance requirements. Compliance changes or a failure in the framework of internal controls could result in penalties, liabilities, or reputational damage.

Approved by the Board and signed on its behalf by:



Richard Webb
Director
Unit C1 Knaves Beech Business Centre
Loudwater
Wooburn Green
High Wycombe
HP10 9UT
United Kingdom

29 September 2023

Directors' Report

The directors present their annual report on the affairs of Giga Communications Limited ("the Company"), a Company limited by shares, together with the financial statements and auditor's report for the year ended 31 December 2022. In accordance with section 414C (11) of the Act, the directors have included disclosures on the Company's financial risk management objectives and policies.

Principal Activities

The principal activity of the company during the year was to support its retained contracts from the sale of satellite and other communications equipment.

Going Concern

After making appropriate enquiries and considering the recent economic uncertainty, the Board's view is that the Company has adequate resources to continue in existence for the foreseeable future.

The Company's directors' assessment also considered the appropriateness of existing and future cash resources, including access to credit facilities through the Parent Company. Following completion of the acquisition of Ultra Electronics Holdings Ltd by Cobham on 1 August 2022, the Parent Company's £300m committed revolving credit facility ("RCF") has been cancelled in line with the change of control provisions, and the Parent Company's £50 million and \$70 million Prudential Investment Management Inc. ("Pricoa") loan notes have been repaid on 31 August 2022. New Group facilities are available to provide access to funding as required.

The directors do not consider the acquisition and the change in credit facilities to have any implications for the Company. The Group's closing cash balance as at 31 December 2022 was £138.8m.

The directors of Cobham Ultra SeniorCo S.à r.l. have provided a letter of support to the directors of the Company stating that the current policy is to continue to provide financial and other support to the Company, if necessary, for the Company to continue to trade and pay its liabilities for a period of at least 12 months from the date of authorisation of these financial statements. The Company has no dependency on any external borrowings and creditors are predominantly intergroup. They therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Dividends

The Directors do not propose a dividend (2021: £nil) on the ordinary shares.

Post Balance Sheet Events

Post Balance Sheet Events are disclosed in note 16 to the accounts.

Directors

The directors who served during the year end to the date of signing, unless otherwise specified, are listed on page 1.

Cobham Ultra SeniorCo S.à r.l. has made qualifying third-party indemnity provisions for the benefit of its Directors, which were made during the period and remain in force at the date of this report. These third party indemnity provisions cover all of the Directors of the Company.

Directors' Report (continued)

Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

In accordance with section 485 of the Companies Act 2006, a resolution for the appointment of Deloitte LLP as auditor of the Company was agreed at the Annual General Meeting.

Approved by the Board and signed on its behalf by:



Richard Webb
Director
Unit C1 Knaves Beech Business Centre
Loudwater
Wooburn Green
High Wycombe
HP10 9UT
United Kingdom

29 September 2023

Directors' responsibility statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 of the company and of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

Independent auditor's report to the members of Giga Communications Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Giga Communications Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Income Statement;
- the Statement of Financial Position;
- the Statement of Changes in Equity;
- the Principal accounting policies; and
- the related notes 1 to 16.

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).

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 Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and relevant, tax legislation etc; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

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

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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.



Jamie Mander (ACA) (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Reading, United Kingdom
29 September 2023

Income Statement

	Note	2022 £	2021 £
Turnover	1	-	-
Cost of sales		(7,863)	-
Gross loss		(7,863)	-
Other operating (expenses)/income	2	(151,145)	19,460
Operating (loss)/profit on ordinary activities	3	(159,008)	19,460
Tax on (loss)/profit	5	-	-
Loss/Profit for the financial year		(159,008)	19,460

All of the activities of the company are classed as continuing.

The company has no other comprehensive income other than the results for the year and preceding year as set out above. Accordingly, a Statement of Comprehensive Income has not been presented.

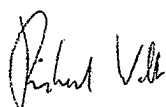
The accompanying accounting policies and notes form part of these financial statements.

Statement of Financial Position

	Note	2022 £	2021 £
Fixed assets			
Loans to group undertakings	6	3,684,464	3,684,464
Current assets			
Debtors	7	31,932	2,093,100
Creditors: amounts falling due within one year	8	(514,303)	(2,416,463)
Net current liabilities		(482,371)	(323,363)
Total assets less current liabilities		<u>3,202,093</u>	<u>3,361,101</u>
Net assets		<u><u>3,202,093</u></u>	<u><u>3,361,101</u></u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account		3,202,092	3,341,640
Total Equity		<u><u>3,202,093</u></u>	<u><u>3,341,641</u></u>

These financial statements of Giga Communications Limited (registered number 05068503) were approved by the directors and authorised for issue on 29 September 2023.

They were signed on its behalf by:



Richard Webb
Director
Unit C1 Knaves Beech Business Centre
Loudwater
Wooburn Green
High Wycombe
HP10 9UT
United Kingdom

The accompanying accounting policies and notes form part of these financial statements.

Statement of Changes in Equity

	Share Capital	Retained Earnings	Total
	£	£	£
Balance at 1 January 2021	1	3,341,640	3,341,641
Total comprehensive income and profit for the year	-	19,460	19,460
Balance at 31 December 2021	1	3,361,100	3,361,101
Total comprehensive expense and loss for the year	-	(159,008)	(159,008)
At 31 December 2022	1	3,202,092	3,202,093

Principal accounting policies

General information and basis of accounting

Giga Communications Limited (“the Company”) is a private company limited by shares, incorporated and domiciled in the United Kingdom under the Companies Act and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the Company’s operations and its principal activities are set out in the Directors’ Report on page 5.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of Cobham Ultra SeniorCo S.à r.l.. Exemptions have been taken in these separate Company financial statements in relation to presentation of a cash flow statement and remuneration of key management personnel.

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as ‘loans and receivables’. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Going concern

The Company’s business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report and the Directors’ Report. The Strategic report also describes the company’s exposure to credit, liquidity, and foreign exchange risks.

The directors have a reasonable expectation, based on current forecasts, and considering the net current liabilities position of the company as at 31 December 2022 of £482,371 that the company has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

With net asset position of £3,202,093 (2021: £3,361,101) the Parent company has also provided a letter of support to the Directors of the Company stating that it will continue to provide financial and other support to the Company, if necessary, for the Company to continue to trade and pay its liabilities as and when they become due given the Company having net current liabilities for a period of at least twelve months from the authorisation of these financial statements.

Turnover

The turnover shown in the Income Statement represents amounts receivable in respect of the sale of satellite and microwave communications equipment during the period, exclusive of Value Added Tax. Revenue is generally recognised at the date of shipping the goods, depending on Incoterms.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable loss/profit, and is accounted for using the balance sheet liability method.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned.

However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating loss/profit.

Financial instruments

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

All financial assets and liabilities are initially measured at transaction price (including transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the Statement of Financial Position. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Financial instruments (continued)

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Critical accounting judgements and key sources of estimation uncertainty

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

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

Critical judgements in applying the Company's accounting policies

The directors consider that there are no critical judgements in the process of applying the Company's accounting policies that would cause a material impact on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

There are no key areas of estimation uncertainty.

Notes to the financial statements

1 Turnover

The company's turnover represents the value, excluding value added tax, of goods & services supplied to customers during the year. The company did not have any turnover in 2022 or 2021.

2 Other operating income/(charges)

	2022	2021
	£	£
Sales department costs	-	-
Administrative expenses	417	(31,850)
Net foreign exchange (losses)/gains	(150,728)	51,310
	<u>(151,145)</u>	<u>19,460</u>

3 Loss/Profit before tax

Loss/Profit before tax is stated after crediting:

	2022	2021
	£	£
Net foreign exchange gains	150,728	51,310
Auditor's remuneration: Auditing of the financial statements	-	-
	<u>150,728</u>	<u>51,310</u>

Auditor's remuneration was borne by Ultra I&C Limited trading as Ultra Communications, a company within the Ultra Group. The amount attributable to Giga Communications Limited is £25,651 (2021: £10,000) relating to the audit of the financial statements.

4 Director and employees

There were no employees or payroll costs in 2022 or 2021.

None of the directors accrued benefits under the company pension scheme (2021: none).

All of the directors were remunerated by Ultra Electronics Holdings Limited and received £nil remuneration from Giga Communications Limited (2021: none).

Notes to the financial statements (continued)

5 Taxation

There is no tax charge in the accounts in 2022 or 2021 due to Group Relief being claimed for no consideration. The amount calculated by applying the standard rate of UK corporation tax to the loss/profit before tax is as follows:

	2022 £	2021 £
(Loss)/Profit on ordinary activities before tax	<u>(159,008)</u>	<u>19,460</u>
Tax on profit on ordinary activities at standard UK corporation tax rate of 19% (2021: 19%)	-	3,697
Effects of:		
- Group Relief claimed for no consideration	-	(3,697)
Total tax charge for period	<u>-</u>	<u>-</u>

There is no unrecognised deferred tax related to the current or prior year. No deferred tax has been recognised in these financial statements.

6 Fixed Assets

	2022 £	2021 £
Loans to group undertakings	<u>3,684,464</u>	<u>3,684,464</u>
	Loans to group undertakings £	
Cost		
At 1 January 2022	3,684,464	
Additions	-	
Disposals	-	
At 31 December 2022	<u>3,684,464</u>	
Impairment		
At 1 January 2022	-	
Charge for the period	-	
At 31 December 2022	<u>-</u>	
Net book value		
At 1 January 2022	<u>3,684,464</u>	
At 31 December 2022	<u>3,684,464</u>	

Amounts owed by group undertakings are unsecured, non interest bearing and receivable on demand.

Notes to the financial statements (continued)

7 Debtors: amounts falling due within one year

	2022	2021
	£	£
Trade debtors	31,894	26,696
Amounts due from group undertakings	38	2,066,404
	<u>31,932</u>	<u>2,093,100</u>

Debtors falling due after more than one year are £nil (2021 - £nil). Amounts owed by group undertakings are unsecured, non interest bearing and receivable on demand.

8 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade Creditors	-	2,037,121
Amounts due to group undertakings	414,054	282,271
Other creditors	-	6,125
Accruals	100,249	90,946
Deferred income	-	-
	<u>514,303</u>	<u>2,416,463</u>

Amounts due to group undertakings are unsecured, non interest bearing and repayable on demand.

9 Deferred taxation asset

The movement in the deferred taxation asset during the year was:

	2022	2021
	£	£
Asset brought forward	-	-
Other	-	-
	<u>-</u>	<u>-</u>
Asset carried forward	-	-
	<u>-</u>	<u>-</u>

The asset for deferred taxation consists of the tax effect of timing differences in respect of:

	2022	2021
	£	£
Excess of taxation allowances over depreciation on fixed assets	-	-
	<u>-</u>	<u>-</u>
Asset	-	-
	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)

10 Related party transactions

The Company has taken advantage of the disclosure exemptions under FRS 102 in respect of the requirements of FRS 102 Section 33 "Related party disclosures".

11 Share capital

Allotted, called up and fully paid:

	2022	2021
	£	£
1 Ordinary share of £1	1	1

The Company has one class of ordinary shares which carry no right to fixed income.

12 Capital commitments

At the end of the year capital commitments were:

	2022	2021
	£	£
Contracted but not provided	-	-

13 Commitments under operating leases

At the balance sheet date (2021: none), the company had no future lease payments under non-cancellable operating leases.

14 Ultimate parent undertaking

Prior to the completion of the Advent acquisition on 4 August 2022, the Company's ultimate parent Company and ultimate controlling party was Ultra Electronics Holdings Limited, a Company incorporated in the United Kingdom. On completion of the Advent acquisition, the Company has a new ultimate controlling party being funds managed by Advent International Corporation. Advent International Corporation is incorporated in the United States of America.

The largest and smallest group, which includes the Company, for which group accounts were prepared is Cobham Ultra SeniorCo S.à r.l. Copies of the group financial statements of Cobham Ultra SeniorCo S.à r.l. are available from that company's registered office at 2-4 rue Beck, L-1222 Luxembourg (Lëtzebuerg), Luxembourg.

Notes to the financial statements (continued)

15 Contingent liabilities

The Company has cross-guarantees with Cobham Ultra SeniorCo S.à r.l. and with certain fellow group companies. The Company is one of the guarantors of the Cobham Ultra SeniorCo S.à r.l.'s loans and revolving credit facilities.

Cobham Ultra SeniorCo S.à r.l.'s banking facilities amount to £190m in total. The £190m revolving credit facility has an expiry date of February 2029. The facility is denominated in Sterling, US Dollars, Canadian Dollars, Australian Dollars and Euros and is used for balance sheet and operational needs. In 2021, Ultra Electronics Holdings plc held banking facilities totalling £300m in total.

Cobham Ultra SeniorCo S.à r.l.'s also has loan notes in issue. At 31 December 2022, first lien term loan notes of €450m and \$883.5m with an expiry date of August 2029 (2021: £nil), second lien term loan notes of \$460m with an expiry date of August 2030 and \$440m shareholder loan notes with an expiry date of August 2031 had been issued.

In 2021, Ultra Electronics Holding plc had loan notes in issue to Prudential Investment Management Inc. ("Pricoa"). At 31 December 2021, loan notes of £50m with an expiry date of October 2025 and \$70m with an expiry date of January 2026 and January 2029 had been issued. These loans notes were repaid during the year.

The financing facilities are for operational needs, including funding day-to-day working capital requirements. The US Dollar borrowings also represent natural hedges against assets denominated in that currency. At the year end, the total borrowings drawn from the revolving facilities were £148m (2021: £20m), giving headroom of £42m (2021: £280m). In the prior year, £101.4m of Pricoa loan notes had been issued.

16 Post balance sheet events

There are no post balance sheet events.