

Rohde & Schwarz UK Limited

Report and Financial Statements

Year Ended

30 June 2016

Company Number 00539607

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Rohde & Schwarz UK Limited

Report and financial statements for the year ended 30 June 2016

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Directors

F Mackel
M Paoli
J Schroder
K Wu

Bankers

HSBC, 54 Clarence Street, Kingston upon Thames, Surrey KT1 1NS

Secretary and Registered Office

C Morrow, Rohde & Schwarz House, Ancells Business Park, Fleet, Hampshire GU51 2UZ

Company Number

00539607

Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

Rohde & Schwarz UK Limited

Strategic report for the year ended 30 June 2016

Review of business

The principal activity of Rohde & Schwarz UK Limited is that of a sales and service organisation, selling products within the fields of test and measurement, broadcasting, radio monitoring, radiolocation and mission-critical radio communications manufactured by group owned production sites for resale primarily in the UK and Ireland.

Following strong growth in turnover and profits in recent years, the company experienced a decrease in turnover in the current financial year of 0.4% and achieved a gross profit margin of 19.4% (2015 – 21.0%). The company reported a pre-tax profit of £1,424,925 (2015 - £1,565,911). We are confident that the company will continue to trade successfully in the future. We have responded quickly to the current economic situation to optimise the use of existing resources which allows us to achieve further market share.

In the current financial year the company produced outstanding results and we exceeded our forecast expectations.

We continue to deliver the second design phase of the integrated communications system for the future Royal Navy's Type 26 Global Combat Ship having already successfully delivered the first design phase.

The company is now the sole UK distributor for DVS products. With over 25 years' experience DVS products are very successful in the digital film, video post-production and broadcast markets.

The company uses a variety of KPI's to monitor and manage the performance of the business. These include indicators such as turnover, gross profit margin and operating profit margin and debtor days.

	2016	2015
Turnover	£35,178,825	£35,313,201
Gross profit margin	19.4%	21.0%
Operating profit margin	4%	3.3%
Debtor days	47	59

The results were in line with expectations, with higher revenue and lower gross margin related to our activities in the Type 26 project and sales of DVS products.

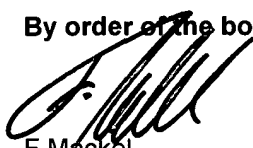
Principal risks and uncertainties

The main foreseeable risks to the trading performance of the company will be a strengthening of the Euro which will increase pressure on our gross profit margin, the risk of our customers delaying or cancelling projects, the risk of key technology companies leaving the UK, government budgets decreasing, and the risk that Brexit will have an impact on our customers, causing relocation, reduction in funding, or cancellation of project plans.

The company seeks to minimise its risk of losing customers to key competitors by the innovation and quality of our products and also of our sales force, employing skilled engineers with the ability to assist our customers in selecting the best solution for their needs and to provide ongoing support and training. The company continues to strive to improve market share in all areas. We consider that we are close enough to the market to be able to react quickly to changes and mitigate the impact on the company's performance.

The company remains committed to continue to developing its product functionality and product lines, and to deliver outstanding quality of service to our customers in the UK & Ireland.

By order of the board



F. Mackel
Director

Date 28 July 2016

Rohde & Schwarz UK Limited

Report of the directors for the year ended 30 June 2016

The directors present their report together with the audited financial statements for the year ended 30 June 2016.

Results and dividends

The income statement is set out on page 6 and shows the profit for the year.

The directors have paid an interim ordinary dividend of £1,277,334 (2015 - £15,000,000) during the year and do not recommend the payment of a final dividend (2015 - £Nil).

There have been no events since the balance sheet date which materially affect the position of the company.

Financial instruments

The company holds or issues financial instruments to finance its operations. Operations are financed by retained profits. Working capital requirements are met out of retained profits. In addition, various financial instruments such as trade debtors and trade creditors arise directly from the company's operations. The company does not enter into any external hedging arrangements.

The company is mainly exposed to credit risk from credit sales. It is company policy to assess the credit risk of new customers and to factor the information from these credit ratings into future dealings with the customers. At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

The directors monitor the liquidity and cash flow risk of the company carefully. The company has investments in liquidity funds with the company's bankers which are used to manage fluctuations in cash flow. Cash flow is monitored by the directors on a regular basis.

Charitable donations

During the year the company made charitable donations of £25 (2015 - £25).

Directors

The directors who served during the year were as follows:

F Mackel	
M Becker	(Resigned 21/10/2015)
M Paoli	
J Schroder	(Appointed 1/9/2015)
K Wu	(Appointed 1/9/2015)

Rohde & Schwarz UK Limited

Report of the directors for the year ended 30 June 2016 *(continued)*

Directors' responsibilities

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

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

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

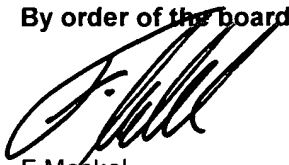
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Auditors

All of the current directors have taken all steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purpose of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

By order of the board



F Mackel
Director

Date:

28 July 2016

Rohde & Schwarz UK Limited

Independent auditor's report

TO THE SHAREHOLDERS OF ROHDE & SCHWARZ UK LIMITED

We have audited the financial statements of Rohde & Schwarz UK Limited for the year ended 30 June 2016 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is 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'.

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.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

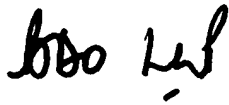
Rohde & Schwarz UK Limited

Independent auditor's report (*continued*)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.



James Fearon (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick
United Kingdom

Date 29 July 2016

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Rohde & Schwarz UK Limited

Statement of comprehensive income for the year ended 30 June 2016

	Note	2016 £	2015 £
Turnover	3	35,178,825	35,313,201
Cost of sales		28,370,105	27,904,584
Gross profit		6,808,720	7,408,617
Administrative expenses		5,915,130	6,461,637
		893,590	946,980
Other operating income		496,056	201,852
Operating profit	4	1,389,646	1,148,832
Interest receivable and similar income	5	35,279	417,079
Profit on ordinary activities before taxation		1,424,925	1,565,911
Tax on profit on ordinary activities	8	307,903	288,577
Profit and total comprehensive income for the financial year		1,117,022	1,277,334

All amounts relate to continuing activities.

The notes on pages 11 to 19 form part of these financial statements.

Rohde & Schwarz UK Limited

Balance sheet at 30 June 2016

<i>Company number 00539607</i>	Note	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	10		451,645		499,984
Current assets					
Stock and work in progress	11	1,976,380		2,102,846	
Debtors	12	5,390,743		7,535,394	
Cash at bank and in hand		11,842,353		10,629,847	
		19,209,476		20,268,087	
Creditors: amounts falling due within one year	14	7,816,695		9,077,360	
Net current assets			11,392,781		11,190,727
Total assets less current liabilities			11,844,426		11,690,711
Provisions for liabilities	15		1,464,483		1,150,456
Net assets			10,379,943		10,540,255
Capital and reserves					
Called up share capital	16		156,100		156,100
Capital redemption reserve			18,900		18,900
Profit and loss account			10,204,943		10,365,255
Shareholders' funds			10,379,943		10,540,255

These financial statements were approved by the board of directors and authorised for issue on 28 July 2016


F Macker
Director

The notes on pages 11 to 19 form part of these financial statements.

Rohde & Schwarz UK Limited

Statement of changes in equity for the year ended 30 June 2016

	Share capital £	Capital redemption reserve £	Profit and loss account £	Total equity £
1 July 2015	156,100	18,900	10,365,255	10,540,255
Comprehensive income for the year				
Total comprehensive income for the year	-	-	1,117,022	1,117,022
Contributions by and distributions to owners				
Dividends	-	-	(1,277,334)	(1,277,334)
Total contributions by and distributions to owners	-	-	(1,277,334)	(1,277,334)
30 June 2016	156,100	18,900	10,204,943	10,379,943

The notes on pages 11 to 19 form part of these financial statements.

Rohde & Schwarz UK Limited

Statement of changes in equity for the year ended 30 June 2015 *(continued)*

	Share capital £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total equity £'000
1 July 2014	156,100	18,900	24,087,921	24,262,921
Comprehensive income for the year				
Total comprehensive income for the year	-	-	1,277,334	1,277,334
Contributions by and distributions to owners				
Dividends	-	-	(15,000,000)	(15,000,000)
Total contributions by and distributions to owners			(15,000,000)	(15,000,000)
30 June 2015	156,100	18,900	10,365,255	10,540,255

The notes on pages 11 to 19 form part of these financial statements.

Rohde & Schwarz UK Limited

Statement of cash flows for the year ended 30 June 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit for the financial year		1,117,022	1,277,334
Adjustments for:			
Depreciation of fixed assets		162,282	220,390
Net interest receivable		(35,279)	(417,079)
Taxation expense		307,903	288,577
Decrease in trade and other debtors		2,138,022	10,349,588
Decrease in stocks		126,466	854,602
(Decrease)/increase in trade and other creditors		(1,260,665)	144,304
Foreign exchange		-	166,146
Movement in provision		314,027	165,281
Cash from operations		2,869,778	13,049,143
Taxation paid		(301,274)	(439,070)
Net cash generated from operating activities		2,568,504	12,610,073
Cash flows from investing activities			
Purchases of tangible fixed assets		(113,943)	(184,550)
Interest received		35,279	417,079
Sale of current asset investments		-	8,084,453
Net cash from investing activities		(78,664)	8,316,982
Cash flows from financing activities			
Equity dividends paid		(1,277,334)	(15,000,000)
Net cash used in financing activities		(1,277,334)	(15,000,000)
Net increase in cash and cash equivalents		1,212,506	5,927,055
Cash and cash equivalents at beginning of year		10,629,847	4,702,792
Cash and cash equivalents at end of year		11,842,353	10,629,847

The notes on pages 11 to 19 form part of these financial statements.

Rohde & Schwarz UK Limited

Notes forming part of the financial statements for the year ended 30 June 2016

1 Accounting policies

Rohde & Schwarz UK Limited is a company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the strategic report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

These financial statements are the first financial statements prepared under FRS 102. The first time adoption of FRS 102 has not resulted in any changes to the 2014 reported profit or the equity of the company at 1 January 2014.

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.

The following principal accounting policies have been applied:

Turnover

Turnover from the sales of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and it is probable that the company will receive the previously agreed upon payment. For long term projects, recognition of revenue is based on an assessment of the fair value of goods and services provided as a proportion of the total fair value of the contract.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values of all tangible fixed assets, except for investment properties and freehold land, evenly over their expected useful lives. It is calculated at the following rates:

Furniture and equipment	- 15% per annum straight line
Technical equipment	- 20% per annum straight line
Motor vehicles and computer equipment	- 25% per annum straight line
Bicycles	- 100% per annum straight line
Short leasehold properties	- over length of lease

Stocks and work in progress

Stocks represent finished goods and demonstration stock which is stated at the lower of cost and net realisable value. Demonstration stock held for a period in excess of one year is provided against at a rate of 25% per annum, until the stock reaches a net book value of 25% of its original cost. This policy is considered to fairly reflect the risk of obsolescence and the impact this has on net realisable value

Leased assets

Operating lease rentals are charged to the statement of comprehensive income on a straight-line basis over the term of the lease.

Pension costs

Retirement benefits to employees of the company are provided by a defined contribution group personal pension scheme which is funded by contributions paid to a separately administered fund. Contributions to the pension scheme are charged to the statement of comprehensive income in the year in which they become payable.

Rohde & Schwarz UK Limited

Notes forming part of the financial statements for the year ended 30 June 2016 (*continued*)

1 Accounting policies (*continued*)

Foreign currency

Foreign currency transactions are translated at the rates ruling when they occurred. Foreign currency balances are translated to sterling at the exchange rates ruling at the balance sheet date. Any differences are taken to profit or loss.

Current and deferred taxation

The tax expense for the period comprises current and deferred tax.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

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 the company anticipates to make sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Guarantee liability

In respect of contracts where the company has given a guarantee a provision is made for the expected future guarantee liability. This liability is estimated based on the budgeted costs of servicing guarantees for the forthcoming year and the unexpired guarantee periods at the balance sheet date. Liabilities arising under the guarantees are charged against the profits for the year.

Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

Reserves

The company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- The capital redemption reserve contains the nominal value of own shares that have been acquired by the company and cancelled.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments

Rohde & Schwarz UK Limited

Notes forming part of the financial statements for the year ended 30 June 2016 (continued)

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating or lease or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the company's tangible assets.

Other key sources of estimation uncertainty

- *Tangible fixed assets (see note 10)*

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- *Provision for guarantee liability (see note 15)*

The most critical estimates, assumptions and judgements relate to the determination of future expected costs in respect of the company's provision for product guarantees. In determining this, the company calculates the estimated cost of providing warranty for one year, and then multiplies it by the number of years warranty outstanding.

- *Stock provision*

The most critical estimate, assumptions and judgements relate to the determination of expected realisable value of demonstration stock. In determining this, the company includes an annual provision of 25% on original cost of demonstration stock held for a period in excess of one year until the stock reaches a net book value of 25% of its original cost.

3 Turnover

Turnover and profit on ordinary activities before tax relate to the company's principal activities. The analysis of turnover by geographical market of destination is as follows:

	2016 £	2015 £
United Kingdom	32,950,671	33,295,358
Rest of Europe	2,228,154	2,013,969
Asia	-	1,531
Australia	-	250
USA & Canada	-	2,093
	35,178,825	35,313,201

Rohde & Schwarz UK Limited

Notes forming part of the financial statements
for the year ended 30 June 2016 (continued)

4 Operating profit

	2016 £	2015 £
This is arrived at after charging:		
Depreciation - owned assets	162,282	220,390
Hire of plant and machinery - operating leases	242,376	269,376
Hire of other assets - operating leases	202,300	202,300
Auditors' remuneration:		
- audit of the company's financial statements	41,115	40,422
- other taxation services	8,479	9,023
Exchange difference	(470,757)	29,796

5 Interest receivable and similar income

	2016 £	2015 £
Bank interest	35,279	14,517
Loan to group company	-	17,083
Profit on disposal of current asset investment	-	385,479
	35,279	417,079

6 Employees

	2016 £	2015 £
Staff costs (including directors) consist of:		
Wages and salaries	3,545,987	3,596,111
Social security costs	443,550	465,951
Pension costs	225,513	267,116
	4,215,050	4,329,178

The average number of employees of the company during the year was made up as follows:

	2016 Number	2015 Number
Sales	36	41
Service	14	14
Administration	11	9
	61	64

Rohde & Schwarz UK Limited

Notes forming part of the financial statements
for the year ended 30 June 2016 (continued)

7 Directors' remuneration

	2016 £	2015 £
Directors' emoluments	371,995	314,464
Social security costs	51,335	43,396
Company contributions to money purchase pension scheme	26,804	41,946

There was one director (2015 - one) for whom the company made pension contributions during the year.

Emoluments for the highest paid director amounted to £371,995 (2015 - £314,464). Company pension contributions of £26,804 (2015 - £41,946) were made to a money purchase pension scheme on his behalf.

8 Taxation on profit on ordinary activities

	2016 £	2015 £
<i>UK corporation tax</i>		
Current tax on profits of the year	304,406	288,577
Adjustment in respect of prior years	3,443	-
	<u>307,903</u>	<u>288,577</u>

The tax assessed for the year is higher (2015 - lower) than the standard rate of corporation tax in the UK applied to profit before tax. The difference is explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>1,424,925</u>	<u>1,565,911</u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 20.0% (2015 - 20.75%)	284,985	324,926
Effects of:		
Expenses not deductible for tax purposes	6,066	6,930
Unrecognised deferred tax	12,608	(6,762)
Group relief	-	(32,346)
Other timing differences	801	(4,171)
Adjustments in respect of previous years	3,443	-
	<u>307,903</u>	<u>288,577</u>

9 Dividends

	2016 £	2015 £
Ordinary shares		
Interim paid dividend of £8.18 (2015 - £96.09) per share	<u>1,277,334</u>	<u>15,000,000</u>

Rohde & Schwarz UK Limited

Notes forming part of the financial statements
for the year ended 30 June 2016 *(continued)*

10 Tangible fixed assets

	Short leasehold properties £	Furniture and equipment £	Technical equipment £	Motor vehicles and bicycles £	Computer equipment £	Total £
<i>Cost</i>						
At 1 July 2015	425,701	408,396	1,774,161	29,873	411,108	3,049,239
Additions	28,610	48,735	20,947	-	15,651	113,943
Disposals	-	-	-	(542)	-	(542)
At 30 June 2016	454,311	457,131	1,795,108	29,331	426,759	3,162,640
<i>Depreciation</i>						
At 1 July 2015	425,701	294,890	1,537,464	29,873	261,327	2,549,255
Charge for year	2,278	25,283	77,321	-	57,400	162,282
Disposals	-	-	-	(542)	-	(542)
At 30 June 2016	427,979	320,173	1,614,785	29,331	318,727	2,710,995
<i>Net book value</i>						
At 30 June 2016	26,332	136,958	180,323	-	108,032	451,645
At 30 June 2015	-	113,506	236,697	-	149,781	499,984

All tangible assets are stated at historical cost.

Rohde & Schwarz UK Limited

Notes forming part of the financial statements for the year ended 30 June 2016 (continued)

11 Stock and work in progress

	2016 £	2015 £
Finished goods and goods held for resale	1,976,380	2,102,846

There is no material difference between the replacement cost of stocks and the amounts stated above.

12 Debtors

	2016 £	2015 £
Amounts receivable within one year:		
Trade debtors	4,046,977	5,759,608
Amounts due from group undertakings	231,311	573,801
Corporation tax	88,663	95,292
Other debtors	195,419	304,827
Prepayments and accrued income	828,373	801,866
	<u>5,390,743</u>	<u>7,535,394</u>

13 Financial instruments

The company's financial instruments may be analysed as follows:

	2016 £	2015 £
Financial assets		
Financial assets that are measured at amortised cost	16,125,851	17,597,631
Financial liabilities		
Financial liabilities measured at amortised cost	5,850,367	5,905,710

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors, amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and amounts owed to group undertakings.

Rohde & Schwarz UK Limited

Notes forming part of the financial statements
for the year ended 30 June 2016 (*continued*)

14 Creditors

	2016 £	2015 £
Amounts falling due within one year:		
Trade creditors	257,462	259,779
Amounts owed to group undertakings	4,704,036	4,895,640
Other taxes and social security costs	639,229	999,015
Other creditors	86,804	68,973
Accruals and deferred income	2,129,164	2,853,953
	<u>7,816,695</u>	<u>9,077,360</u>

15 Provision for liabilities

	Provision for guarantee liability £
Provision at 1 July 2015	1,150,456
Utilised in year	(730,314)
Provided during the year	1,044,341
	<u>1,464,483</u>
Provision at 30 June 2016	

16 Share capital

	2016 £	2015 £
<i>Allotted, called up and fully paid</i>		
156,100 (2015 - 156,100) Ordinary shares of £1 each	<u>156,100</u>	<u>156,100</u>

17 Pensions

The current year pension charge represents contributions payable to the group personal pension plan. Contributions totalling £45,553 (2015 - £44,863) were payable under the group personal pension plan and are included in creditors.

Rohde & Schwarz UK Limited

Notes forming part of the financial statements for the year ended 30 June 2016 *(continued)*

18 Commitments under operating leases

As at 30 June 2016, the company had minimum lease payments under non-cancellable operating leases as set out below.

	2016 £	2015 £
Not later than 1 year	217,079	185,298
Later than 1 and not later than 5 years	199,153	137,178
	<u>416,232</u>	<u>322,476</u>

19 Related party transactions

The ultimate parent company is Rohde & Schwarz GmbH & Co. KG, a private company registered in Germany.

Copies of the annual published accounts of Rohde & Schwarz GmbH & Co. KG are available from the Companies' registrar in Munich under reference HRA 16270 at Präsident des Amtsgerichts, Munich, Amtsgericht Munich, Pacellistraße 5, 00315 Munich.

The company's immediate parent company is Rusint A.G., a company incorporated in Switzerland. No consolidated financial statements are prepared by Rusint A.G.

Key management of the Company are considered to be the directors. The total remuneration of the directors is covered in note 7.