

Radisys UK Limited
Financial Statements
for the year ended 31st December, 2020

Report of the Independent Auditors to the Members of RadiSys UK Limited

Opinion

We have audited the financial statements of **RadiSys UK Limited** (the 'company') for the year ended 31 December 2020 which comprise the Income Statement, Balance Sheet and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

- In our opinion, based on the work undertaken in the course of the audit:
 - the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has 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 Report of the Directors.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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.

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 a Report of the Auditors 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 Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Chamberlain (Senior Statutory Auditor)
for and on behalf of Chamberlains Statutory Auditors
and Chartered Accountants
Elm House, Tanshire Park
Shackleford Road, Elstead
Godalming
Surrey
GU8 6LB

9 March 2021

Balance sheet

31 December 2020

	Notes	31.12.20		31.12.19	
		£	£	£	£
FIXED ASSETS					
Investments	5		<u>93,473</u>		<u>93,473</u>
			93,473		93,473
CURRENT ASSETS					
Debtors	6	812,605		790,093	
Cash at bank		<u>68,634</u>		<u>75,462</u>	
		881,239		865,555	
CREDITORS					
Amounts falling due within one year	7	<u>47,952</u>		<u>54,181</u>	
NET CURRENT ASSETS			<u>833,287</u>		<u>811,374</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>926,760</u>		<u>904,847</u>
CAPITAL AND RESERVES					
Called up share capital	8		190,000		190,000
Retained earnings			<u>736,760</u>		<u>714,847</u>
SHAREHOLDERS' FUNDS	9		<u>926,760</u>		<u>904,847</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors on 09 March 2021 and were signed on its behalf by:

N S Mehta - Director

The notes form part of these financial statements

Income Statement

for the Year Ended 31 December 2020

	Notes	31.12.20	31.12.19
		£	£
TURNOVER		315,690	345,419
Administrative expenses		<u>293,777</u>	<u>327,030</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION		21,913	18,389
Tax on profit		<u>-</u>	<u>5,032</u>
PROFIT FOR THE FINANCIAL YEAR		<u>21,913</u>	<u>13,357</u>

Notes to the Financial Statements for the Year Ended 31 December 2020

1. STATUTORY INFORMATION

RadiSys UK Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about RadiSys UK Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, RadiSys Corporation, .

Turnover

Turnover represents sales commission on the sale of embedded computer components, embedded hardware platforms and software, received from group companies, excluding value added tax. Sales commission is recognised as revenue in the period to which the associated costs are incurred.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

The financial statements are presented in pounds sterling, which is the operational currency of the company.

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 transaction. Exchange differences are taken into account in arriving at the operating result.

Notes to the Financial Statements for the Year Ended 31 December 2020

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 2 (2019 - 2).

4. OPERATING PROFIT

The operating profit is stated after charging:

	<u>31.12.20</u>	<u>31.12.19</u>
	£	£
Auditors' remuneration	7,800	7,500
Other non- audit services	<u>6,240</u>	<u>5,218</u>

5. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2020 and 31 December 2020	<u>93,473</u>
NET BOOK VALUE	
At 31 December 2020	<u>93,473</u>
At 31 December 2019	<u>93,473</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

RadiSys Poland Sp. z o.o.

Registered office: Cypriana Kamila Norwida 4, 80-280, Gdansk, Poland.

Nature of business: technical support to customers of RadiSys Corp

Class of shares:	%
Ordinary	holding 100.00

	<u>31.12.20</u>	<u>31.12.19</u>
	£	£
Aggregate capital and reserves	85,585	132,122
(Loss)/profit for the year	<u>(39,776)</u>	<u>4,257</u>

In March 2012, the company purchased the entire share capital of Juncus Sp. z o.o., a Polish registered company for PLN 5,000 (£1,168) and subsequently changed the name to RadiSys Poland Sp. z o.o. In April 2013, the company made a capital contribution to RadiSys Poland Sp. z o.o. in the amount of PLN 400,000 (£92,306). In the opinion of the directors, the value of the shares held in the company is fairly reflected by the balance sheet value.

Notes to the Financial Statements for the Year Ended 31 December 2020

6.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			31.12.20	31.12.19
				£	£
	Amounts owed by group undertakings			812,605	790,093
				<u> </u>	<u> </u>
7.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			31.12.20	31.12.19
				£	£
	Trade creditors			-	2,311
	Taxation and social security			11,086	-
	Other creditors			36,866	51,870
				<u> </u>	<u> </u>
				47,952	54,181
				<u> </u>	<u> </u>
8.	CALLED UP SHARE CAPITAL				
	Allotted, issued and fully paid:				
	Number:	Class:	Nominal value:	31.12.20	31.12.19
				£	£
	1,900	Ordinary	100	190,000	190,000
				<u> </u>	<u> </u>
9.	RESERVES				Retained earnings £
	At 1 January 2020				714,847
	Profit for the year				21,913
					<u> </u>
	At 31 December 2020				736,760
					<u> </u>
10.	PENSION COMMITMENTS				
	The company operates a defined contribution scheme for its employees. The costs to the company of the scheme during the year was £10,671 (2019 - £18,861). The amount outstanding at the year end was £11,036 (2019 - £1,793).				
11.	ULTIMATE PARENT COMPANY				
	The company's immediate parent company is RadiSys Corporation, a company registered in the United States of America. The company's ultimate parent company is Reliance Industries Limited, a company based in Mumbai, India.				

Notes to the Financial Statements for the Year Ended 31 December 2020

Detailed Profit and Loss Account for the Year Ended 31 December 2020

	31.12.20		31.12.19	
	£	£	£	£
Sales		315,690		345,419
Expenditure				
Salaries	204,795		189,331	
Social security	28,289		24,601	
Pensions	10,671		18,861	
Telephone	748		1,802	
Travelling	(4,297)		36,215	
Motor expenses	5,456		5,000	
Licences and insurance	1,120		1,120	
Irrecoverable VAT	2,368		1,140	
Sundry expenses	303		1,319	
Recruitment and temp staff	19,572		24,102	
Professional fees	9,837		8,911	
Auditors' remuneration	7,800		7,800	
Auditors' remuneration for non audit work	6,240		5,218	
		<u>292,902</u>		<u>325,420</u>
		22,788		19,999
Finance costs				
Bank charges		875		1,610
NET PROFIT		<u>21,913</u>		<u>18,389</u>