

Raytheon United Kingdom Limited
(Registered Number 337167)

Annual Report

For the Year Ended 31 December 2015

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Raytheon United Kingdom Limited

Annual Report for the Year Ended 31 December 2015

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Raytheon United Kingdom Limited

Directors and Advisers

Executive Directors as at 31 December 2015

R Daniel
J Reilly
J M Quinn

Registered Auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Bankers

JP Morgan Chase
1 Chaseside
Bournemouth
Dorset
BH7 7DA

Secretary and Registered Office

J Reilly
The Pinnacles
Elizabeth way
Harlow
Essex
CM19 5BB

Raytheon United Kingdom Limited

Registered number 337167

Directors' Report for the Year Ended 31 December 2015

The Directors present their report and the audited financial statements for the year ended 31 December 2015.

The Director' Report has been prepared in accordance with the special provisions relating to small companies within Part 15 of The Companies Act 2006.

Principal activities and review of business

The Company's main activity is as a holding company.

The Directors anticipate this activity to continue.

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Results and dividends

The loss for the year, after taxation, amounted to £0.8 million (2014: profit £0.1 million). The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2015 (2014: nil).

Directors

The Directors of the Company at 31 December 2015 are listed on page 1.

The Directors held office for the whole of the year.

In accordance with the Articles of Association R Daniel retires at the next annual general meeting and, being eligible, will offer himself for re-election.

Directors' interests in shares of the Company

According to the register kept under section 808 of the Companies Act 2006, no Director had any beneficial interest in the shares of the Company either at the beginning or end of the year. There were no changes in Directors' interests during the year.

Raytheon United Kingdom Limited

Registered number 337167

Directors' Report for the Year Ended 31 December 2015 (Continued)

Charitable and political donations

There were no political or charitable donations made by Raytheon United Kingdom Limited during the year.

Research and development

The Company did not perform any research or development in 2015.

Disclosure of information to 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 auditors are unaware; and
- each Director has taken all the 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 auditors are aware of that information.

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

Auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as Auditors and a resolution to reappoint them will be proposed at the forthcoming annual general meeting.

On behalf of the Board



J M Quinn
Director

13 May 2016

Raytheon United Kingdom Limited

Registered number 337167

Statement of Directors' Responsibilities

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

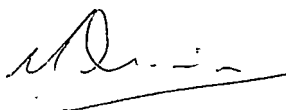
Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102, 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (FRS 102), 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 comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; 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.

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

On behalf of the board



J M Quinn
Director

13 May 2016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYTHEON UNITED KINGDOM LIMITED

Report on the financial statements

Our opinion

In our opinion the Raytheon United Kingdom Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss 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.

What we have audited

The financial statements included in the Annual Report comprise:

- Statement of Financial Position as at 31 December 2015;
- Statement of Comprehensive income for the year then ended;
- Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYTHEON UNITED KINGDOM LIMITED (Continued)

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Statement of Directors' Responsibilities, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK & Ireland) ("ISAs(UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYTHEON UNITED KINGDOM LIMITED (Continued)

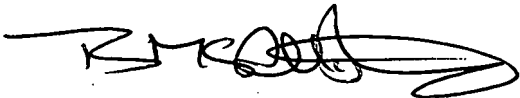
What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This included an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



**Timothy McAllister (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London**

13 May 2016

Raytheon United Kingdom Limited

Registered number 337167

Statement of Comprehensive Income for the Year Ended 31 December 2015

		2015 £'000	2014 £'000
	Note		
Revenue		672	672
Cost of sales		-	-
Gross profit		672	672
Administrative expense		(297)	(518)
Operating profit		375	154
Finance expense	4	(1,401)	(4)
(Loss) / profit on ordinary activities before taxation	5	(1,026)	150
Tax on profit on ordinary activities	6	194	(46)
(Loss) / profit for the financial year		(832)	104

There is no material difference between the loss on ordinary activities before taxation and the loss for the year stated above, and their historical cost equivalents.

No gains or losses have been recognised as a component of other comprehensive income during the years presented.

All amounts relate to continuing operations.

The notes on pages 11 to 20 form an integral part of these financial statements.

Raytheon United Kingdom Limited

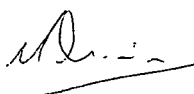
Registered number 337167

Statement of Financial Position as at 31 December 2015

		2015		2014	
	Note	£'000	£'000	£'000	£'000
Fixed assets					
Property, plant and equipment	8	2,825		2,907	
Investments	9	249,712		249,712	
			252,537		252,619
Current assets					
Trade and other receivables	10	12,410		388	
Cash and cash equivalents		560,164		328,750	
		572,574		329,138	
Trade and other payables: amounts falling due within one year	11	(813,074)		(322,886)	
Net current (liabilities) / assets			(240,500)		6,252
Total assets less current liabilities			12,037		258,871
Trade and other payables: amounts falling due after more than one year	12		(360)		(375)
Net assets			11,677		258,496
Equity					
Called up share capital	13		670		204,563
Share premium account			-		509
Retained earnings			11,007		53,424
Total equity			11,677		258,496

The notes on pages 11 to 20 form an integral part of these financial statements.

The Financial statements on pages 8 to 20 were approved by the board of directors on 13 May 2016 and were signed on its behalf by:



J M Quinn
Director

Raytheon United Kingdom Limited

Registered number 337167

Statement of Changes in Equity for the Year Ended 31 December 2015

	Called up share capital	Share Premium	Capital Redemption reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000
Balance as at 1 January 2014	204,563	509	-	53,320	258,392
Profit for the year	-	-	-	104	104
Balance as at 1 January 2014	204,563	509	-	53,424	258,496
Loss for the year	-	-	-	(832)	(832)
Reduction in share capital	(203,744)	(509)	204,253	-	-
Share buy back	(149)	-	(204,253)	(41,585)	(245,987)
Balance as at 31 December 2015	670	-	-	11,007	11,677

The notes on pages 11 to 20 form an integral part of these financial statements.

Raytheon United Kingdom Limited

Notes to the Financial Statements for the Year Ended 31 December 2015

1 Principal accounting policies

General information

Raytheon United Kingdom Limited is the holding company for Raytheon Systems Limited, a major supplier of electronic systems, products, components and associated support services to the defence and commercial markets, both in the UK and overseas.

The Company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is The Pinnacles, Elizabeth Way, Harlow, Essex, CM19 5BB.

Statement of compliance

The individual financial statements of Raytheon United Kingdom Limited have been prepared in compliance with United Kingdom Accounting Standards, comprising Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Company has adopted FRS 102 in these financial statements.

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of derivatives measured at fair value through profit or loss.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

Exemptions for qualifying entities under FRS 102

The Company is a qualifying entity as per FRS 100, as it is a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated.

The Company has taken advantage of the following disclosure exemptions of FRS 102, section 1 paragraph(s):

- 1.12 (a) reconciliation of the number of shares outstanding at the beginning and end of the prior year
- 1.12 (b) statement of cash flows
- 1.12 (c) financial instruments as the information is included in the consolidated financial statements

Critical accounting judgements and estimation uncertainty

In applying its accounting policies, the Company has made estimates and assumptions concerning the future, which may differ from the related actual outcomes.

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

Raytheon United Kingdom Limited

Notes to the Financial Statements for the Year Ended 31 December 2015

1 Principal accounting policies (continued)

Consolidated financial statements

The Company is a wholly owned subsidiary of Raytheon Company and is included in the consolidated financial statements of Raytheon Company which are publicly available. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are the Company's separate financial statements.

Foreign currency

The Company's functional and presentation currency is the pound sterling. 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.

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 the statement of comprehensive income.

Revenue recognition

Turnover represents the rental income received from a subsidiary undertaking. It is recognised on a straight line basis.

Taxation

Taxation expense / credit for the year comprises current and deferred taxes recognised in the reporting period. Tax is recognised in the statement of comprehensive income.

Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. The Company establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These 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.

Raytheon United Kingdom Limited

Notes to the Financial Statements for the Year Ended 31 December 2015

1 Principal accounting policies (continued)

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Tangible assets

Expenditure on tangible fixed assets is capitalised at cost plus any incidental costs of acquisition. No interest is capitalised. Depreciation is calculated so as to write off the cost of fixed assets on a straight line basis over the expected useful economic lives of the assets concerned which are as follows:

	Years
Land and buildings	
Buildings	Maximum 50
Land	Not depreciated

Impairment of non-financial assets

At each statement of financial position date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit). No indicators of impairment were identified under the current period.

Investments

Investments in subsidiary companies are held at cost less accumulated impairment losses. Impairment reviews are performed by management where there is an indication that the asset may be impaired.

Cash and cash equivalents

Cash and cash equivalents includes cash at bank and other short-term highly liquid investments with original maturities of nine months or less which are readily accessible at an earlier date if deemed necessary.

Government grants

Grants that relate to specific capital expenditure are treated as deferred income which is then credited to the statement of comprehensive income over the related asset's useful life.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Financial instruments

As a qualifying entity under FRS 102, Raytheon United Kingdom Limited is able to take an exemption from presenting financial instrument disclosure requirements of FRS 102 sections 11 and 12, as a result of equivalent disclosures being included in the group financial statements which consolidate the entity.

Raytheon United Kingdom Limited

Notes to the Financial Statements for the Year Ended 31 December 2015

1 Principal accounting policies (continued)

Financial assets

Basic financial assets, including trade and other receivables, amounts owed by group undertakings, cash and cash equivalents and amounts recoverable on contracts are recognised at transaction price.

Derivatives

The Company enters into forward foreign exchange contracts, which are derivatives and are not basic financial instruments.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the statement of comprehensive income.

The Company does not currently apply hedge accounting for foreign exchange derivatives.

2 Segmental reporting

The Company's main activity is managing cash for Raytheon Company's European entities and is based in the United Kingdom.

3 Directors' emoluments and employee information

There were no emoluments paid to the Directors of Raytheon United Kingdom Limited in 2015 and 2014 for their services as Directors of the Company.

The charge for Directors' remuneration has been borne by the Company's major operating subsidiary Raytheon Systems Limited.

The monthly average number of persons employed by the Company in 2015 and 2014 was nil.

4 Other interest (payable) / receivable

	2015 £'000	2014 £'000
Interest receivable and similar income		
On bank deposits and other interest income	2,560	1,496
Less: Interest payable and similar charges		
On borrowings from group undertakings	(3,961)	(1,500)
Total	(1,401)	(4)

5 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging the following:

	2015 £'000	2014 £'000
Depreciation of tangible owned fixed assets	82	81
Auditors' remuneration		
- audit fees	17	16

Raytheon United Kingdom Limited

Notes to Financial Statements for the Year Ended 31 December 2015

6 Tax on profit on ordinary activities

The tax charge is based on the taxable (loss) / profit for the year and comprises:

	2015 £'000	2014 £'000
Current tax charge		
UK corporation tax for the period	(194)	46
Total current tax	(194)	46
Tax on (loss) / profit on ordinary activities	(194)	46
Representing:		
United Kingdom	(194)	46
Foreign taxes	-	-
Total tax	(194)	46

The tax assessed for the year is higher (2014: higher) than the standard rate of the corporation tax in the UK.

	2015 £'000	2014 £'000
(Loss) / profit on ordinary activities	(1,026)	150
(loss) / profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 2015: 20.25% (2014: 21.5%)	(207)	32
Effects of :		
Other timing differences	(3)	(3)
Capital allowances in excess of depreciation	16	17
Total	(194)	46

Legislation was enacted in July 2014 to reduce the UK corporation tax rate from 21% to 20% with effect from 1 April 2015. A further reduction to 19% from 1 April 2017 and to 18% from 1 April 2020 was substantively enacted in October 2015 and the relevant deferred tax balances have been re-measured accordingly.

Raytheon United Kingdom Limited

Notes to Financial Statements for the Year Ended 31 December 2015

7 Deferred taxation

Deferred taxation accounted for in the statement of financial position and the potential amounts of deferred taxation are:

	Amounts		Full potential	
	Provided Asset		Asset	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Deferred Tax Components				
Accelerated capital allowances	3	3	3	3
Tax losses	-	-	534	593
Total	3	3	537	596

Potential deferred tax assets in respect of certain tax losses have not been recognised because of uncertainty regarding their recoverability. Deferred tax is calculated at the rates that will be in force in the respective years to the extent those rates have been substantively enacted.

Raytheon United Kingdom Limited

Notes to the Financial Statements for the Year Ended 31 December 2015

8 Tangible fixed assets

	Land and buildings £'000
Company	
Cost	
At 1 January 2015	5,903
Additions	-
Disposals	-
At 31 December 2015	5,903
Accumulated depreciation	
At 1 January 2015	2,996
Charge for the year	82
Disposals	-
At 31 December 2015	3,078
Net book value	
At 31 December 2015	2,825
At 31 December 2014	2,907

The freehold land and buildings owned by the Company are all leased to a subsidiary company.

There is no material difference between the book value and the market value.

9 Investments

Share in group undertakings

Cost	2015 £'000	2014 £'000
At 31 December	249,712	249,712

The Directors believe that the carrying value of the investment is supported by future cash flows.

Raytheon United Kingdom Limited

Notes to the Financial Statements for the Year Ended 31 December 2014

9 Investments (continued)

The following table lists the direct and indirect operating subsidiaries of the Company as at 31 December 2015.

Name of Company	Nature of business	Country of incorporation	Descriptions of shares held
Raytheon Systems Limited	Electronics	England & Wales	£1 Ordinary
Raytheon Australia Pty Ltd	Electronics	Australia	10,477,047 fully paid ordinary shares
Raytheon Canada Ltd	Electronics	Canada	24,300 class "A" preference shares and 2,500 common shares
Raytheon Deutschland GmbH	Electronics	Germany	One share in the nominal amount of DM 28,000,000 and one share in the nominal amount of DM 100,000
MARCOS Vermögensverwaltung GmbH	Electronics	Germany	One share in the nominal amount of DM 49,500 and one share in the nominal amount of DM 500.

10 Debtors

	2014 £'000	2014 £'000
Amounts falling due within one year:		
Other debtors	12,407	385
Deferred tax	3	3
Total	12,410	388

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Included within other debtors are the foreign exchange contract derivatives measured at fair value at £11,843,000 (2014: nil). Increase in fair values of £11,843,000 are recognised in Administrative expenses. Fair value was determined using valuation techniques that utilise observable inputs. The key assumptions used in valuing the derivatives are the forward exchange rates for GBP:USD.

Raytheon United Kingdom Limited

Notes to the Financial Statements for the Year Ended 31 December 2015

11 Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Amounts owed to group undertakings	812,066	321,950
Corporation tax	-	239
Accruals and deferred income	1,008	697
Total	813,074	322,886

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

12 Creditors: amounts falling due after more than one year

	2015 £'000	2014 £'000
Accruals and deferred income		
- government grants	360	375

13 Called up share capital

	2015 £'000	2014 £'000
Authorised, allotted, called up fully paid		
818,252,000 Ordinary shares of 25p each	-	204,563
670,187,907 Ordinary shares of 0.1p each	670	-

On 13 October 2015 the nominal value of each of the Company shares was reduced from £0.25 to £0.001

On 2 November 2015 the company bought back 148,064,093 shares.

14 Contingent liabilities

The Company has entered into composite guarantees with a third party under which there is a maximum potential contingent liability on bank borrowing facilities of £nil (2014: £nil).

The company has a bank overdraft of £nil (2014: £nil).

Included in the cash in bank balance is an amount of £42,000 (2014: £42,000) that is held on trust for shareholders' who cannot be located.

Raytheon United Kingdom Limited

Notes to the Financial Statements for the Year Ended 31 December 2015

15 Ultimate parent company

The Directors regard Raytheon Company which is incorporated in the United States of America, as the ultimate controlling party and ultimate parent company.

Copies of the latest annual report of Raytheon Company may be obtained from Corporate Communications, Raytheon Company, 870 Winter Street, Waltham, Massachusetts 02451, USA.

16 Related party transactions

The Company is exempted under the terms of FRS 102 (Related Party Disclosures) from disclosure of related party transactions with fellow subsidiaries or its ultimate parent Company as it is a wholly owned subsidiary of Raytheon Company. Consolidated financial statements of the Company's ultimate controlling company, Raytheon Company, which is incorporated in the United States of America, are publicly available for inspection.

7 Transition to FRS 102

This is the first year that the Company has presented its results under FRS 102. The last financial statements under the UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014. There are no changes between UK GAAP as previously reported and FRS 102.

Transition exemptions

The Company has taken the transition exemption under paragraph 35.10(f) of FRS 102 in respect of choosing to measure investments in subsidiaries at cost which is the existing UK GAAP carrying amount on the transition date, in its separate opening statement of financial position.