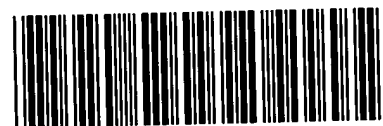


Vishay Limited

Report and Financial Statements

31 December 2015

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COMPANIES HOUSE

Directors

J W Wheeler
G W Paul
P N Jeffreys
L M Bell

Secretary

L M Bell

Auditors

Ernst & Young LLP
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JD

Bankers

Barclays Bank Plc
53 Fawcett Street
Sunderland
Tyne and Wear
SR4 6XS

Solicitors

Edwin Coe Solicitors
2 Stone Buildings
Lincoln's Inn
London
WC2A 3TH

Registered Office

Suite 7a
Tower House
St Catherine's Court
Sunderland
Tyne and Wear
SR5 3XJ

Directors' report

Registered No. 886870

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

Principal activities and review of the business

The company's principal activity is to provide support to the Group's European sales entity.

Results and dividends

The profit for the year, after taxation, amounted to £208,000 (2014: profit of £609,000). The directors do not propose the payment of a dividend.

The principal business of the company is to provide sales and technical support to the United Kingdom and Ireland customer base on behalf of Vishay Europe Sales.

The company does not monitor any KPIs as its main operation is to provide services to Vishay Europe Sales.

Future developments

The company will continue to support the European Sales organization. It does not see any further changes to the current status in the foreseeable future. The cost base is expected to remain stable in line with UK inflation.

Directors

The directors who served during the year were as follows:

J W Wheeler
G W Paul
P N Jeffreys
L M Bell

Principal risks and uncertainties

The company's principal risks and uncertainties are those relating to its principal financial instruments. The company's principal financial instruments comprise cash, group receivables and group borrowings.

The main risks associated with the company's financial assets and liabilities are set out below.

Given that the majority of the risks below derive from transactions with other Vishay Intertechnology Inc group companies, the company does not undertake any hedging activity locally. Significant financial risks from a group perspective are addressed on a case-by-case basis at group level.

Interest rate risk

The company invests surplus cash in group cash pooling arrangements and in an interest yielding bank deposit account. Interest is received at variable rates on group balances and bank deposit accounts, but not charged on group borrowings. Therefore financial assets, interest income and cash flows can be affected by movements in interest rates, but the directors do not consider there to be any significant exposure.

Directors' report

Principal risks and uncertainties (continued)

Credit risk

Group policies are aimed at minimising such losses, and require that deferred terms are granted only to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures. Individual exposures are monitored with customers subject to credit limits to ensure that the company's exposure to bad debts is not significant.

Liquidity risk

The company aims to mitigate liquidity risk by managing cash generated by its operations. Flexibility is maintained by retaining surplus cash in readily accessible bank accounts and group cash pooling arrangements.

Foreign currency risk

The company's principal transactions in foreign currency are group receivables and borrowings denominated in US dollars. As a result, the company's future cash flows arising from these receivables and borrowings can be affected by movements in the US dollar exchange rate. No hedging activity is undertaken locally to mitigate this risk, other than investments made in overseas undertakings.

Going concern

The directors have considered the company's current and future prospects and its availability of financing, and are satisfied that the company can continue to pay its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. For this reason the directors continue to adopt the going concern basis of preparation for these financial statements.

Disclosure of information to auditors

So far as each director, who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps he/she is obliged to take as a director in order to make himself /herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Special provisions relating to small companies

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006, applicable to small companies.

Re-appointment of auditors

In accordance with S485 and S489 of the Companies Act 2006 to dispense with the obligation to appoint auditors annually. Ernst & Young LLP are therefore deemed to be reappointed.

By order of the Board

L M Bell
Director



27th September 2016

Directors' responsibilities statement

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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS102 "The Financial Reporting standard applicable in the UK and the 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 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; 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 auditors' report

to the members of Vishay Limited

Independent auditors' report

We have audited the financial statements of Vishay Limited for the year ended 31 December 2015 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position and the related notes 1 to 22. 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 FRS102 "The Financial Reporting standard applicable in the UK and the 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 includes 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. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 "The Financial Reporting standard applicable in the UK and the Republic of Ireland"; 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 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 Vishay Limited (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; 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 in preparing the Strategic Report and Directors' Report.



Darren Rutherford (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Newcastle upon Tyne

27 September 2016

Income statement

for the year ended 31 December 2015

	Notes	2015 £000	2014 £000
Turnover	2	-	-
Net operating (costs)/income	3	(39)	549
		<u>(39)</u>	<u>549</u>
Other operating income	7	262	265
		<u>223</u>	<u>814</u>
Operating profit	4	223	814
Bank and other interest receivable	8	2	6
Net interest on pension scheme assets and liabilities	9	(17)	60
Dividends receivable from subsidiary undertakings		-	2,529
Write off of intercompany balance with Grued Inc		-	(2,547)
Foreign exchange loss on loan repayments		-	(252)
		<u>208</u>	<u>610</u>
Profit on ordinary activities before taxation		208	610
Tax charge on profit on ordinary activities	10	-	(1)
		<u>208</u>	<u>609</u>
Profit retained for the financial year		<u>208</u>	<u>609</u>

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

Statement of comprehensive income

for the year ended 31 December 2015

		2015 £000	2014 £000
Profit for the financial year		208	609
Re –measurement loss recognised on defined benefit pension scheme	17	(277)	(546)
Effect of pension asset surplus cap		-	66
		<u>(69)</u>	<u>129</u>
Total comprehensive income for the financial year		<u>(69)</u>	<u>129</u>

Statement of changes in equity

for the year ended 31 December 2015

	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total shareholders funds</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>
At January 2014	10	5,889	5,899
Profit for the year	-	609	609
Actuarial gain	-	(546)	(546)
Effect of pension asset surplus cap	-	66	66
At 1 January 2015	10	6,018	6,028
Profit for the year	-	208	208
Actuarial loss	-	(277)	(277)
Effect of pension asset surplus cap	-	-	-
At 31 December 2015	10	5,949	5,959

Statement of financial position

at 31 December 2015

Registered No: 886870

	Notes	2015 £000	2014 £000
Fixed assets			
Intangible assets	11	688	835
Tangible assets	12	7	7
		<u>695</u>	<u>842</u>
Current assets			
Debtors	13	9,479	9,426
Investments		500	500
Cash at bank and in hand		882	743
		<u>10,861</u>	<u>10,669</u>
Creditors: amounts falling due within one year	14	(5,204)	(5,012)
		<u>5,657</u>	<u>5,657</u>
Net current assets			
		<u>6,352</u>	<u>6,499</u>
Total assets less current liabilities			
		<u>6,352</u>	<u>6,499</u>
Net assets excluding pension liability			
Defined benefit pension liability	17	(393)	(471)
		<u>5,959</u>	<u>6,028</u>
Net assets			
		<u><u>5,959</u></u>	<u><u>6,028</u></u>
Capital and reserves			
Called up share capital	15	10	10
Profit and loss account	18	5,949	6,018
		<u>5,959</u>	<u>6,028</u>
Shareholders' funds			
		<u><u>5,959</u></u>	<u><u>6,028</u></u>

27th

These financial statements were approved and authorised for issue by the Board on September 2016 and signed on their behalf by:


L M Bell
Director

Notes to the financial statements

at 31 December 2015

1. Accounting policies

Statement of compliance

Vishay Limited is a limited liability company incorporated in England. The Registered Office is Suite 7a, Tower House, St Catherine's Court, Sunderland, Tyne and Wear, SR5 3XJ.

The company's financial statements have been prepared in compliance with FRS 102, for the first time, for the period ended 31 December 2015. The Company transitioned from previous UK GAAP to FRS 102 as at 1 January 2014. An explanation of how the transition to FRS 102 has affected the reported financial position and financial performance is given in note 22.

In these financial statements, the company has applied the exemptions available under FRS 102 in respect of the following disclosures:

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv)
- the requirements of Section 7 Statement of Cash Flows
- the requirements of Section 11 Basic Financial Instruments paragraphs 11.39 to 11.48A
- the requirements of Section 33.7 and 33.1A Related Party Disclosures

The group in which the results of the Company are consolidated is Vishay Intertechnology Inc

Consolidated financial statements are available at 63 Lincoln Highway, PO Box 4004, Malvern, PA 19355-2120, United States of America.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards.

The accounting principles used to prepare the financial statements are based on historical cost, unless stated otherwise.

The financial statements are prepared in GBP sterling which is the functional currency of the company

Group financial statements

The company is exempt from the requirements to prepare consolidated financial statements by virtue of Section 401 of the Companies Act 2006 as it is a subsidiary of Vishay Intertechnology Inc, a US registered company which prepares consolidated financial statements. These financial statements therefore present only information about the company, not about its group.

Judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date, and the amounts reported for revenues and expenses during the period.

However, the nature of estimation means that actual outcomes could differ from those estimates.

The company did not have any significant estimates or judgements at either year end.

Other significant accounting policies

Leased assets

Rentals payable under operating leases are charged to the income statement on a straight line basis over the lease term.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write-off the cost less estimated residual value of each asset evenly over its expected useful life as follows:

Plant, machinery and equipment	-	over 3 to 10 years
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Notes to the financial statements

at 31 December 2015

1. Accounting policies (continued)

Goodwill

Goodwill is the difference between the cost of an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the Statement of financial position and amortised on a straight line basis over its expected useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if any event or changes in circumstances indicate that the carrying value may not be recoverable.

Deferred taxation

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

Deferred taxation 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 taxation 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.

Current asset investments

Cash that is held in bank accounts that are not accessible on demand is shown as current asset investments.

Cash and cash equivalents

Cash and cash equivalents in the Statement of financial position comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Foreign currencies

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All exchange differences arising are taken directly to the income statement.

Notes to the financial statements

at 31 December 2015

1. Accounting policies (continued)

Pension costs

The company operates a defined benefit pension scheme with a defined contribution underpin which is funded by contributions made by the company and employees.

The cost of providing benefits under the defined benefit plan is determined in accordance with FRS 102, using the projected unit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligations) and is based on actuarial advice. Past service costs are recognised in the income statement on a straight-line basis over the vesting period or immediately if the benefits have vested. When a settlement or a curtailment occurs, the charge in the present value of the scheme liabilities and the fair value of the plan assets reflects the gain or loss which is recognised in the income statement. Losses are measured at the date that the employer becomes demonstrably committed to the transaction and gains when all parties whose consent is required are irrevocably committed to the transaction.

The interest element of the defined benefit cost represents the change in present value of scheme obligations relating from the passage of time, and is determined by applying the discount rate to the opening present value of the benefit obligation, taking into account material changes in the obligation during the year. The expected return on plan assets is based on an assessment made at the beginning of the year of long-term market returns on scheme assets, adjusted for the effect on the fair value of plan assets of contributions received and benefits paid during the year. The difference between the expected return on plan assets and the interest costs is recognised in the income statement as other finance income or expense.

Actuarial gains and losses are recognised in full in the statement of comprehensive income in the period in which they occur.

The defined benefit pension liability in the statement of financial position comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less any past service cost not yet recognised and less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the current bid price.

The company also operates a defined contribution scheme. Contributions are charged in the income statement as they become payable in accordance with the rules of the scheme.

2. Turnover

Turnover comprises the invoice value of goods and services supplied by the company exclusive of VAT. All turnover arises in respect of the company's discontinued principal activity.

Turnover is attributable to one continuing activity, the sale of electronic components. Segmental analysis has not been disclosed as Vishay Limited's ultimate parent undertaking provides segmental accounting disclosures in compliance with the relevant standard and which includes the company's results.

Notes to the financial statements

at 31 December 2015

3. Operating costs/(income)

	2015 £000	2014 £000
Staff costs:		
-Wages and salaries	810	810
- Social security costs	99	96
- Pension costs	104	146
Depreciation and other amounts written off tangible fixed assets	4	6
Amortisation of goodwill	147	148
Restructuring charges	219	-
Other operating income	(1,344)	(1,755)
	<u>39</u>	<u>(549)</u>

The other operating income represents costs recharged to other Vishay Intertechnology Inc companies.

4. Operating profit

Operating profit is stated after charging:

	2015 £000	2014 £000
Operating lease rentals - property	34	47
Operating lease rentals – plant and machinery	54	61
Auditors' remuneration - audit services	18	20
Depreciation of owned fixed assets	4	6
Amortisation of goodwill	147	148
Exchange (gain)/loss	(66)	24

Non audit fees amounted to £14,000 (2014: £14,000) and related to taxation compliance services.

5. Emoluments of directors

	<i>Highest paid director</i>		<i>All directors</i>	
	2015 £000	2014 £000	2015 £000	2014 £000
Directors' fees and remuneration	135	129	204	240
Company contributions paid to money purchase pension schemes	14	14	30	35

At 31 December 2015 two directors participated in the defined benefit pension scheme (2014: three directors).

Notes to the financial statements

at 31 December 2015

6. Staff costs

	2015 £000	2014 £000
Wages and salaries (excluding redundancy costs)	810	810
Social security costs	99	96
Pension costs - defined benefit scheme (note 17)	54	98
- other pension costs	50	48
	<u>1,013</u>	<u>1,052</u>

The average monthly number of persons employed by the company during the year, including directors, was as follows:

	2015 No.	2014 No.
Selling	9	9
Administration	3	4
	<u>12</u>	<u>13</u>

7. Other operating income (net)

	2015 £000	2014 £000
Commission receivable	196	289
Exchange gain/(losses)	66	(24)
	<u>262</u>	<u>265</u>

8. Bank and other interest receivable

	2015 £000	2014 £000
Bank interest receivable	2	6
	<u>2</u>	<u>6</u>

9. Interest (payable)/receivable and similar charges

	2015 £000	2014 £000
Interest on net defined pension liability (note 17)	(17)	60
	<u>(17)</u>	<u>60</u>

Notes to the financial statements

at 31 December 2015

10. Tax on profit on ordinary activities

	2015 £'000	2014 £'000
(a) Analysis of charge in year		
<i>Current tax:</i>		
UK Corporation tax	-	1
UK Corporation tax under provided in prior period	-	-
Total current tax (note 10(b))	-	1
<i>Deferred tax:</i>		
Origination and reversal of timing differences	-	-
Tax charge on profit on ordinary activities	-	1

(b) Factors affecting current tax charge for the year

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20.25% (2014: 21.49%). The differences are reconciled below:

	2015 £'000	2014 £'000
Profit on ordinary activities before tax	208	610
Profit on ordinary activities at standard rate of corporation tax in the UK of 20.25% (2014: 21.49%)	42	131
Effects of:		
Expenses not deductible for tax purposes (including goodwill amortisation)	31	478
Income not taxable for tax purposes	-	(543)
Movement in unrecognised deferred tax asset	(123)	(65)
Group relief surrendered not paid for	50	-
Current tax charge for the year (note 10(a))	-	1

Notes to the financial statements

at 31 December 2015

10. Tax charge on profit on ordinary activities (continued)

(c) Deferred taxation

There is an unrecognised deferred tax asset as at 31 December 2015 and 31 December 2014.

There is no potential deferred tax liability.

	2015		2014	
	<i>Provided</i>	<i>Unprovided</i>	<i>Provided</i>	<i>Unprovided</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Capital allowances in advance of depreciation	-	(17)	-	(23)
Losses	-	(287)	-	(271)
FRS 17 pension liability	-	(71)	-	(189)
Deferred tax asset	-	(375)	-	(483)

The deferred tax asset as at 31 December 2015 and 31 December 2014 has not been provided for as there is insufficient certainty over the level of future taxable profits against which the deferred tax asset could be relieved.

(d) Changes in the Corporate Income tax rate

The standard rate of UK corporation tax reduced from 21% to 20% from 1 April 2015. A hybrid rate of 20.25% therefore applies to the current tax charge arising during the year ended 31 December 2015.

In addition to the change in rate of Corporation Tax identified above, further reductions in the rate to 19% from 1 April 2017 and 18% from 1 April 2020 were substantively enacted prior to the balance sheet date and have been applied to the company's deferred tax balance at the balance sheet date.

An announcement in the 2016 Budget also noted the intention to amend the rate from 1 April 2020 to 17%. This was substantively enacted on 13 September 2016. Had this rate been enacted at the balance sheet date, the effect on the unrecognised deferred tax asset would not have been material. The substantively enacted rate of 20% therefore applies to deferred tax assets and liabilities arising at the balance sheet date.

11. Intangible fixed assets

	<i>Goodwill</i>
	<i>£000</i>
Cost:	
At 1 January 2015 and 31 December 2015	2,953
Amortisation:	
At 1 January 2015	2,118
Provided during the year	147
At 31 December 2015	2,265
Net book value:	
At 31 December 2015	688
At 31 December 2014	835

Goodwill is being amortised over a period of 20 years.

Notes to the financial statements

at 31 December 2015

12. Tangible fixed assets

	<i>Plant, machinery and equipment £000</i>
Cost:	
At 1 January 2015	124
Additions	4
Disposals	(32)
At 31 December 2015	96
Depreciation:	
At 1 January 2015	117
Charge for year	4
Disposals	(32)
At 31 December 2015	89
Net book value:	
At 31 December 2015	7
At 31 December 2014	7

13. Debtors

	<i>2015 £000</i>	<i>2014 £000</i>
Prepayments and accrued income	49	33
Amounts due from group undertakings - loans	9,430	9,393
	9,479	9,426

Included in amounts due from group undertakings are amounts totalling £nil which are due after more than one year (2014: £nil), of which £nil (2014: £nil) is due from the parent undertaking. All balances are repayable on demand and are interest free.

Notes to the financial statements

at 31 December 2015

14. Creditors: amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	32	26
Amounts owed to group undertakings - trading	16	29
Amounts owed to group undertakings - loan	4,791	4,791
Accruals and deferred income	365	165
Corporation tax	-	1
	<u>5,204</u>	<u>5,012</u>

The above amounts due to group undertakings are unsecured, repayable on demand and interest free.

15. Allotted and issued share capital

	2015 No.	Authorised 2014 No.	Allotted, called up and fully paid 2015 £000	2014 £000
Ordinary 'A' shares of 5p each	100,000	100,000	5	5
Ordinary 'B' shares of 5p each	100,000	100,000	5	5
			<u>10</u>	<u>10</u>

16. Financial commitments

At 31 December 2015 the company had total commitments under non-cancellable operating leases as set out below:

	Land and buildings		Other	
	2015 £000	2014 £000	2015 £000	2014 £000
Leases expiring:				
Within one year	-	-	6	16
Within two to five years	50	60	115	103
	<u>14</u>	<u>9</u>	<u>121</u>	<u>120</u>

17. Pension commitments

The company contributes to a defined contribution pension scheme. The charge for the year amounted to £50,000 (2014: £48,000).

The company operates a defined benefit scheme in the UK, the Vishay Components Pension Scheme. A full actuarial valuation was carried out at 6 April 2014 and updated to 31 December 2015 by a qualified independent actuary using assumptions consistent with those required under FRS 102

Notes to the financial statements

at 31 December 2015

17. Pension commitments (continued)

The assets and liabilities of the scheme at 31 December are:

	<i>Percentage of plan assets 31 December 2015 %</i>	<i>Fair value at 31 December 2015 £000</i>	<i>Percentage of plan assets 31 December 2014 %</i>	<i>Fair value at 31 December 2014 £000</i>
Equities	44%	4,835	42%	4,488
Bonds	40%	4,396	44%	4,702
Properties	15%	1,648	13%	1,389
Other	1%	110	1%	107
Total market value of assets		10,989		10,686
Present value of Scheme liabilities		(11,382)		(11,157)
Deficit in the scheme		(393)		(471)
Effect of pension asset surplus cap		-		-
Net pension liability		(393)		(471)

The pension scheme has not invested in any of the company's own financial instruments nor in properties or other assets used by the company.

The amount recognised in the income statement, and in the statement of total recognised gains and losses for the year, are analysed as follows:

	<i>2015 £000</i>	<i>2014 £000</i>
<i>Recognised in the profit and loss account</i>		
Current service cost (including member contributions)	61	106
Less member contributions	(7)	(8)
Recognised in arriving at operating profit (note 6)	54	98
Expected return on pension scheme assets (after deduction of administration expenses)	(363)	(509)
Interest on pension scheme liabilities	380	449
Net interest on pension scheme assets and liabilities (note 9)	17	(60)
Total recognised in the profit and loss account	71	38
<i>Taken to the statement of other comprehensive income (OCI)</i>		
Actual return less expected return on scheme assets	(198)	148
Experience gains and losses arising on the scheme liabilities	(27)	356
Changes in assumptions underlying the present value of the scheme liabilities	(52)	(1,050)
Actuarial gain recognised in OCI	(277)	(546)

Notes to the financial statements

at 31 December 2015

17. Pension commitments (continued)

Approximate valuations have been carried out on a set of assumptions consistent with those required under FRS102 by a qualified actuary. The major assumptions and calculation dates for these valuations were:

	2015	2014
	%	%
Rate of increases in salaries	4.6	4.4
Rate of increase in pensions in payment	2.4	2.1
Discount rate for pensioners	3.8	3.5
Discount rate for active and deferred members	3.8	3.5
Inflation assumption	3.2	2.9
Expected rate of return on scheme assets		
Equities	5.7	3.5
Bonds	3.7	3.5
Gilts	2.6	3.5
Property	5.7	3.5
Other	0.5	3.5

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumption is that a member who retired in 2015 at age 65 will live on average for a further 22.9 years after retirement if they are male and for further 25.3 years after retirement if they are female. Similarly, life expectancy at age 65 for male and female non-pensioners (currently aged 45) is assumed to be 25.2 years and 27.7 years respectively. The mortality assumption has been updated to be based on more recent mortality tables, published for the Institute and Faculty of Actuaries, as well as projected improvements in future mortality. This is consistent with the assumption that will be used for the triennial valuation of the Scheme.

The assumptions used by the actuary are the best estimates chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice. The post-mortality mortality assumptions allow for expected increases in longevity. The “current” disclosures above relate to assumptions based on longevity (in years) following retirement at the balance sheet date, with “future” being that relating to an employee retiring in 2028. The actuary has assumed mortality to be in line with tables published by the Institute and Faculty of Actuaries and is consistent with the assumptions used in the current Statement of Funding Principles dated 21 June 2012, giving a prudent measure for mortality experience.

In agreeing the discount rate used in the calculation of the present value of the pension scheme liabilities under FRS102, the directors acknowledge the high degree of judgement involved, and the sensitivity of the calculations to a change in assumptions. The impact of a 0.1% change in the discount rate has an estimated impact on scheme liabilities of £200,000. The directors also acknowledge their responsibilities for ensuring that actuarial assumptions are suitably updated to reflect changing economic conditions, and they confirm that the 31 December 2015 assumptions have been carefully reviewed with the actuary.

The assumption for the long-term rate of return on assets for bonds has been adjusted for the historical level of risk premium associated with other classes. The assumption for the long-term rate of return on assets was based on bank base rates at the balance sheet dates. The notional rate of return on bonds was based on the yield on UK long dated government and corporate bond yields. The long term expected rate of return on cash is determined by reference to bank base rates at the balance sheet dates. The long term expected rate of return on equities is based on the rate of return on bonds with an allowance for out-performance.

The company planned to make contributions totalling £51,000 to the defined benefit scheme in the period 1 January 2016 to 31 December 2016.

Notes to the financial statements

at 31 December 2015

17. Pension commitments (continued)

Changes in the present value of the defined benefit obligations are analysed as follows:

	2015	2014
	£000	£000
As at 1 January	11,157	10,245
Total service cost (including member contributions)	61	106
Other finance expense	380	449
Benefits paid	(295)	(377)
Actuarial loss	79	649
As at 31 December	11,382	11,157

Changes in the fair value of plan assets are analysed as follows:

	2015	2014
	£000	£000
As at 1 January	10,686	10,311
Expected return on plan assets	363	509
Total contributions	433	55
Benefits paid	(295)	(337)
Actuarial (loss)/gain	(198)	148
As at 31 December	10,989	10,686

	2015	2014	2013	2012	2011
	£000	£000	£000	£000	£000
Fair value of scheme assets	10,989	10,686	10,311	9,781	6,738
Present value of defined benefit Obligation	(11,382)	(11,157)	(10,245)	(9,975)	(9,376)
(Deficit)/surplus in the scheme	(393)	(471)	66	(194)	(2,638)
Experience adjustments arising on plan liabilities	27	(356)	(135)	(81)	245
Experience adjustments arising on plan assets	-	509	433	352	376

The cumulative amount of actuarial gains and losses recognised in the statement of total other comprehensive income is a net loss of £3,203,000 (2014: £2,926,000).

Notes to the financial statements

at 31 December 2015

18. Reserves

Profit and loss account

This reserve records the cumulative amount of profits and losses less any distribution of dividends.

19. Parent undertaking and controlling party

The company's immediate parent undertaking is E-Sil Components Limited, which is incorporated in England and Wales, registered number 2177694. Copies of their financial statements can be obtained from the registered office: Suite 7a, Tower House, St Catherine's Court, Sunderland, Tyne and Wear, SR5 3XJ.

In the directors' opinion, the company's ultimate parent undertaking and controlling party is Vishay Intertechnology Inc, which is incorporated in the United States of America. Its financial statements, which include Vishay Limited, can be obtained from 63 Lincoln Highway, PO Box 4004, Malvern, PA19355 – 2120 USA.

20. Related party transactions

The company has not disclosed transactions with other Group companies or key management personnel, as it has taken advantage of the exemption contained within FRS 102.33.1A and FRS102.33.7 on the grounds that the subsidiaries are wholly owned.

21. Financial Instruments

	2015	2014
	£	£
<i>Financial assets measured at amortised cost</i>		
Prepayments and accrued income	49	33
Amounts due from group undertakings	9,430	9,393
	<u>9,479</u>	<u>9,426</u>
	2015	2014
	£	£
<i>Financial liabilities measured at amortised cost</i>		
Trade creditors	(32)	(26)
Other creditors and accruals	(365)	(166)
Amounts owed to group undertakings	(4,807)	(4,820)
	<u>(5,104)</u>	<u>(5,012)</u>

22. Transition to FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2014.

There is no material impact of transition to FRS 102 at either 1 January 2014 or 1 January 2015 due to there being no significant accounting policy differences.