

Registered number: 302632

Westland Group plc

Annual Report and Financial Statements

For the year ended 31 December 2021

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Westland Group plc

Strategic Report

For the year ended 31 December 2021

The Directors present the Strategic Report for the year ended 31 December 2021.

Principal activity

The Company is an intermediate holding company within the Melrose group of companies. The Company holds significant intercompany payables, on which interest payments are charged. The Directors do not expect any change in this activity in the foreseeable future.

Business Review

The income statement of the Company shows a loss for the year of £3,282,000 (2020: £72,998,000), primarily due to interest payable to other subsidiaries within the Melrose group.

Principal Risks and Uncertainties

The Company's activities expose it to a number of risks including liquidity risk.

Liquidity Risk

To maintain liquidity and ensure that sufficient funds are available for ongoing operations and future developments, the Company ensures regular communication with other Group companies.

Going concern

The financial statements have been prepared on a going concern basis. The Company's forecasts show that the Company expects to be able to continue to operate for the next 12 months from the date of the approval of these financial statements. The Company is a subsidiary of Melrose Industries PLC, a global manufacturing and engineering group. The 2021 Annual Report of Melrose Industries PLC disclosed that the Group had significant headroom on its multi-currency committed revolving credit facility of £3 billion, when applying the exchange rates at 31 December 2021. Headroom is largely unchanged through to the date of these accounts and there remains sufficient headroom throughout the going concern forecast period.

Further details regarding the adoption of the going concern basis can be found in the accounting policies in the financial statements.

Statement on Section 172 of the Companies Act 2006

Section 172 of the Companies Act 2006 requires the Directors to promote the success of the Company for the benefit of the members as a whole, having regard to the interests of stakeholders in their decision-making. In making decisions, the Directors consider what is most likely to promote the success of the Company for its shareholders in the long-term, as well as the interests of the Group's stakeholders. The Directors understand the importance of taking into account the views of stakeholders and the impact of the Company's activities on local communities, the environment, including climate change, and the Group's reputation.

The Company is a member of the group of companies whose ultimate holding company is Melrose Industries PLC. As an intermediate holding company, it is exempt from the Streamlined Energy and Carbon Reporting regulations. In accordance with the requirements of UK company law, Melrose Industries PLC has included in its 2021 Annual Report and Accounts on pages 50 to 53 a statement as to how the directors of Melrose Industries PLC have had regard to the matters set out in Section 172 of the Companies Act 2006.

As mentioned above, the Company's principal activity is that of an intermediate holding company within the Melrose group of companies. As such, the breadth of stakeholder considerations that would often apply in operating or to commercially trading companies have not generally applied to the decisions made by the Directors, and the Directors primarily consider the interests of the shareholder with regard to performing their duties on matters set out under Section 172 of the Companies Act 2006. The Board decisions approved during the year were in line with the strategic goals of both the Company and its shareholder, as well as the wider Group.

The Directors consider that they have, both collectively and individually, acted in good faith in a way which would most likely promote the success of the Company for the benefit of the members as a whole, and in doing so have had regard (amongst other matters) to factors (a) to (f) as set out in Section 172(1) of the Companies Act 2006 for the decisions taken during the year ended 31 December 2021.

Approved by the Board on 31 May 2022 and signed on its behalf by:



G E Barnes
Director
Registration number: 302632

Westland Group plc

Directors' Report

For the year ended 31 December 2021

The Directors present their report and the audited financial statements for the year ended 31 December 2021. An indication of likely future developments in the business of the Company is included in the Strategic Report. Information on the financial risk management and going concern are also included in the Strategic Report.

Directors of the Company

The Directors who held office during the year and up to the date of signing the financial statements are as follows:

G E Barnes
M J Richards
G D Morgan
J C F Crawford

No Director had a beneficial interest in the share capital of the Company or any of its subsidiaries, except for the fact that each Director as at 31 December 2021 held shares and/or conditional awards in respect of ordinary shares in Melrose Industries PLC, the ultimate parent company and controlling party, and therefore had an indirect beneficial interest in the Company.

Dividends

No interim dividend was paid for the year ended 31 December 2021 (2020: £nil). The Directors have not proposed a final dividend for the year ended 31 December 2021 (2020: £nil).

Directors' liabilities

The ultimate parent undertaking has indemnified one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third-party indemnity provision was in force throughout the year and at the date of this report.

Disclosure of information to the auditor

Each Director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

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

Auditor

Deloitte LLP is deemed to be reappointed as the Company's auditor under section 487(2) of the Companies Act 2006.

Approved by the Board on 31 May 2022 and signed on its behalf by:



G E Barnes
Director
Registration number: 302632

Westland Group plc

Statement of 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), including FRS 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the members of Westland Group plc

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Westland Group plc (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Income Statement;
- the Balance Sheet;
- the Statement of Changes in Equity;
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Responsibilities of Directors

As explained more fully in the 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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the members of Westland Group plc (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

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

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

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

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

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

Independent Auditor's Report to the members of Westland Group plc (continued)

Matters on which we are required to report by exception

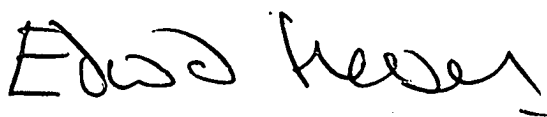
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Edward Hanson (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
31 May 2022

Westland Group plc

Income Statement

For the year ended 31 December 2021

	Notes	2021 £'000	2020 £'000
Operating loss	2	-	(69,156)
Finance costs	3	(3,282)	(3,842)
Loss before tax		(3,282)	(72,998)
Tax	4	-	-
Loss after tax for the year		(3,282)	(72,998)

The above results have arisen from continuing activities in the year. The Company has no income and expenses other than the results for the financial year shown above and therefore no separate statement of comprehensive income has been presented.

Westland Group plc (Registered number: 302632)

Balance Sheet

As at 31 December 2021

	Notes	2021 £'000	2020 £'000
Non-current assets			
Investments in subsidiaries	6	540,838	540,838
Total assets		540,838	540,838
Trade and other payables	7	(313,036)	(309,754)
Total liabilities		(313,036)	(309,754)
Net assets		227,802	231,084
Shareholders' equity			
Share capital	8	10,000	10,000
Share premium account		179,068	179,068
Capital redemption reserve		60,357	60,357
Retained earnings		(21,623)	(18,341)
Total equity		227,802	231,084

The financial statements were approved by the Board of Directors and authorised for issue on 31 May 2022. They were signed on its behalf by:



G E Barnes
Director
Registration number: 302632

Statement of Changes in Equity

For the year ended 31 December 2021

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Retained earnings £'000	Total equity £'000
At 1 January 2021	10,000	179,068	60,357	(18,341)	231,084
Loss for the year	-	-	-	(3,282)	(3,282)
At 31 December 2021	10,000	179,068	60,357	(21,623)	227,802
At 1 January 2020	10,000	179,068	60,357	54,657	304,082
Loss for the year	-	-	-	(72,998)	(72,998)
At 31 December 2020	10,000	179,068	60,357	(18,341)	231,084

Notes to the Financial Statements

For the year ended 31 December 2021

1 Accounting policies and presentation

Westland Group plc is a public company limited by shares and is incorporated and domiciled in the UK, and registered in England and Wales with the registered number 302632. Its registered office is 11th Floor, The Colmore Building, 20 Colmore Circus Queensway, Birmingham, B4 6AT.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework'.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

Exemption from preparing Group financial statements

The Company has taken advantage of the exemption provided by Section 400 of the Companies Act 2006 and has not prepared Group financial statements.

Going concern

The financial statements have been prepared on a going concern basis. The Company's forecasts show that the Company expects to be able to continue to operate for the next 12 months from the date of the approval of these financial statements. The Company is a subsidiary of Melrose Industries PLC, a global manufacturing and engineering group. The 2021 Annual Report of Melrose Industries PLC disclosed that the Group had significant headroom on its multi-currency committed revolving credit facility of £3 billion, when applying the exchange rates at 31 December 2021. Headroom is largely unchanged through to the date of these accounts and there remains sufficient headroom throughout the going concern forecast period.

Investments

Investments in subsidiaries are stated at cost less provision for impairment. Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

Impairment of non-financial assets

At each balance sheet date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial assets and liabilities

Financial liabilities are recorded in arrangements where payments, or similar transfers of financial resources, are unavoidable or guaranteed.

Other financial assets and liabilities, including short term receivables and payables, are initially recognised at fair value and subsequently measured at amortised cost less any impairment provision unless the impact of the time value of money is considered to be material.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

1 Accounting policies and presentation (continued)

Finance costs policy

Finance costs

Where financial liabilities are measured at amortised cost using the effective interest method, interest expense is recognised on an effective yield basis in profit or loss within finance costs.

Taxation

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

The Company's liability for current tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Critical accounting judgements and key sources of estimation uncertainty

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

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

The Directors consider the impairment of investments in subsidiaries to be the only key source of estimation uncertainty, and it is considered that there are no critical accounting judgements within these financial statements. Note 6 contains further details of the key sources of estimation uncertainty.

Determining whether an investment is impaired requires an estimation of the value in use of the investment. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from the entity and a suitable discount rate in order to calculate present value, in the event that the net assets of the investment are not in excess of its carrying amount.

The determination of the recoverable amount involved management estimation of the impact of uncertain matters, including long-term growth rates and discount factors. The carrying amount of the investment in GKN Aerospace Services Limited at the balance sheet date was £540,838,000. During the prior year the Company recognised an impairment loss of £68,762,000, with no impairment loss recognised in the current year.

2 Operating loss

Operating loss is stated after charging:

	2021 £'000	2020 £'000
Impairment of intercompany receivable	-	(394)
Impairment of investment in subsidiary	-	(68,762)
Operating loss	-	(69,156)

Auditor's remuneration of £1,000 (2020: £1,000) for the audit of the financial statements was borne by another Group company and not recharged. The Company had no employees during the year (2020: none).

3 Finance costs

	2021 £'000	2020 £'000
Interest on loans from Group undertakings	(3,282)	(3,842)

Westland Group plc

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

4 Tax

(a) Analysis of tax charge in the year

	2021 £'000	2020 £'000
UK corporation tax	-	-
Total tax charge for the year	-	-

(b) Factors affecting the tax charge in the year

The tax assessed for the year is different to (2020: different to) the standard rate of corporation tax in the UK of 19.0% (2020: 19.0%):

	2021 £'000	2020 £'000
Loss before tax	(3,282)	(72,998)
Tax credit calculated at 19.0% (2020: 19.0%) standard UK corporate tax rate	624	13,870
Expenses not deductible in determining taxable profit	-	(13,140)
Group relief at nil consideration	(624)	(730)
Total tax charge for the year	-	-

(c) Changes in UK corporation tax rates

The rate of UK corporation tax for the year ended 31 December 2021 was 19%. The Finance Act 2021, which was substantively enacted on 24 May 2021 and enacted on 10 June 2021, included an increase in the UK corporation tax rate to 25% with effect from 1 April 2023. As this change had been enacted at the balance sheet date, the closing deferred tax balances have been re-measured using the 25% rate to the extent that the deductible or taxable temporary differences will reverse post 1 April 2023. There is no effect arising from this change in rate on the closing balance sheet.

5 Directors' emoluments

The Directors' emoluments for the year are disclosed in accordance with the Companies Act 2006. Emoluments are apportioned for the services provided by the Directors to the Company. The emoluments of the Directors of the Company for their services to the Company amounted to £nil (2020: £nil).

Retirement benefits accruing to the Directors of the Company for their services to the Company amounted to £nil (2020: £nil).

6 Investments in subsidiaries

	£'000
Cost	
At 1 January 2021 and 31 December 2021	739,816
Accumulated impairment	
At 1 January 2021 and 31 December 2021	(198,978)
Net book amount at 31 December 2021	540,838
Net book amount at 31 December 2020	540,838

The subsidiaries of the Company at 31 December 2021 are disclosed in note 10.

Key sources of estimation uncertainty

The Directors form a judgement as to the carrying value of the investments and whether any impairment is required. This requires estimation of the cash flows the investment will generate in the future. Fair value less costs to sell calculations have been used to determine the recoverable amount of the investment. When applying the fair value less cost to sell methodology, it has been difficult to assess a cashflow value using observable market inputs (level 1) or inputs based on market evidence (level 2) in the current environment and so unobservable inputs (level 3) have been used.

Detailed forecasts have been used for businesses which are based on approved annual budgets and strategic projections representing the best estimate of future performance, which are discounted to a net present value.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

6 Investments in subsidiaries (continued)

Key sources of estimation uncertainty (continued)

Revenue growth assumptions in the forecast period are based on financial budgets and medium-term forecasts by management, taking into account industry growth rates and management's historical experience in the context of wider industry and economic conditions.

Discount rates reflect the current market assessments of the time value of money and the territories in which the businesses operate. In determining the cost of equity, the Capital Asset Pricing Model ("CAPM") has been used. Under CAPM, the cost of equity is determined by adding a risk premium, based on an industry adjustment ("Beta"), to the expected return of the equity market above the risk-free return. The relative risk adjustment reflects the risk inherent in each business relative to all other sectors and geographies on average.

Long-term growth rates are based on long-term forecasts for growth in the sectors and geography in which the businesses operate. Long-term growth rates are determined using long-term forecasts that take into account the international presence and the markets in which each business operates.

Following an annual impairment review of investments in subsidiaries, no impairment within the year was deemed necessary.

7 Trade and other payables

	2021 £'000	2020 £'000
Amounts owed to Group undertakings	313,036	309,754
	313,036	309,754

Amounts owed to Group undertakings are unsecured, interest bearing, have no fixed date of repayment and are repayable on demand.

8 Share capital

The authorised share capital for the current year for all classes of shares in the Company was £55,260,000 (2020: £55,260,000).

	Issued and Fully Paid	
	2021 £'000	2020 £'000
Ordinary shares of £0.025 each	10,000	10,000
	2021 Number 000	2020 Number 000
Ordinary shares of £0.025 each	400,004	400,004

The capital redemption reserve is a non-distributable reserve created following the redemption or purchase of the Company's own shares.

9 Controlling parties

The immediate parent is GKN Aerospace Holdings Limited. The ultimate parent undertaking and controlling party is Melrose Industries PLC.

The parent of the smallest and largest group in which these financial statements are consolidated is Melrose Industries PLC. Consolidated financial statements of Melrose Industries PLC are available from 11th Floor, The Colmore Building, 20 Colmore Circus Queensway, Birmingham, B4 6AT.

Notes to the Financial Statements (continued)

For the year ended 31 December 2021

10 Subsidiaries and other undertakings

Set out below is a list of the Company's related undertakings as at 31 December 2021. These undertakings are included in the consolidation of Melrose Industries PLC.

<u>Name</u>	<u>Interest</u>
GKN Westland Aerospace Holdings Limited*	Ordinary shares
GKN Aerospace Services Limited*	Ordinary shares
GKN Aerospace Transparency Systems (Thailand) Limited* (0.0002%)	Ordinary shares
GKN CEDU Limited*	Ordinary shares
GKN 1 Trustee 2018 Limited	Ordinary shares
GKN 4 Trustee 2018 Limited	Ordinary shares
GKN Aerospace (Shanghai) Co. Ltd	Ordinary shares
GKN Aerospace (Jingjiang) Co. Ltd	Registered investment
GKN Aerospace San Luis Potosi S. de R.L. de C.V. (0.0333%) (in liquidation)	Fixed equity
GKN Westland Design Services Limited	Ordinary shares
GKN Investments II GP Limited	Ordinary shares
GKN Investments II LP	Membership interest
Westland System Assessment Limited	Ordinary shares

*indicates undertakings held directly by the Company, all other undertakings are held indirectly through intermediate companies.

All undertakings are wholly owned unless otherwise indicated.

The registered office of GKN Aerospace Services Limited is 2nd Floor, One Central Boulevard, Blythe Valley Park, Solihull, B90 8BG, United Kingdom.

The registered office of GKN Aerospace (Shanghai) Co. Ltd is Room 805, 8th floor, Building 2, No. 1859, Shibo Avenue, Shanghai, China.

The registered office of GKN Aerospace San Luis Potosi S. de R.L. de C.V. is Av. CFE No. 709, Parque Industrial Millennium, San Luis Potosi S.L.P 78395, Mexico.

The registered office of GKN Aerospace (Jingjiang) Co. Ltd is 1 Xinwang Road, Jingjiang Economic and Technic Development Zone, Jingjiang, Jiangsu, China.

The registered office of GKN Aerospace Transparency Systems (Thailand) Limited is 9/21 Moo 5, Phaholyothin Road Klong 1, Klong Luang, Patumthanee, 12120, Thailand.

The registered office of GKN Investments II GP Limited and GKN Investments II LP is Brodies LLP, 58 Morrison Street, Edinburgh, Scotland, EH3 8BP, United Kingdom.

The registered office of all other undertakings held is 11th Floor, The Colmore Building, 20 Colmore Circus Queensway, Birmingham, B4 6AT.