

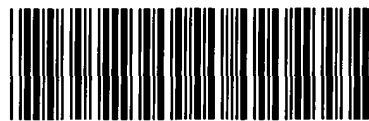
# **BAE Systems Deployed Systems Limited**

## **Annual Report and Financial Statements**

**31 December 2017**

Registered number: 03146958

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## Contents

Directors' Report	3
Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements	4
Income Statement	5
Statement of Comprehensive Income	5
Balance Sheet	6
Statement of Changes in Equity	6
Notes to the Financial Statements	7

## Directors' Report

The directors present their Report, together with the financial statements, for the year ended 31 December 2017.

### Company registration

BAE Systems Deployed Systems Limited (the "Company") is a private company, limited by shares and registered in England and Wales with the registered number 03146958.

### Principal activities and business review

The Company has not traded in the current year. The Company has been dormant, as defined in section 1169 of the Companies Act 2006, throughout the year under review. The directors intend to dissolve the Company.

### Dividends

The directors do not propose a dividend for 2017 (2016: £nil).

### Going concern

The directors intend to dissolve the Company and therefore have not prepared the financial statements on a going concern basis. In order to prepare the financial statements on a break up basis no adjustments were necessary to the carrying values of the asset and liabilities of the business.

### Directors and their interests

The directors who served during the year and at the date of this Report were as follows:

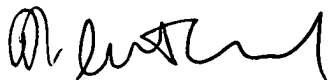
L I Gregory

M J Howarth (resigned 10 February 2017)

D J Mitchard (appointed 13 February 2017)

The Board is not aware of any contract of significance in relation to the Company in which any director has, or has had, a material interest.

### On behalf of the Board



D J Mitchard

Director

21 June 2018

Registered office:  
Warwick House  
PO Box 87  
Farnborough Aerospace Centre  
Farnborough  
Hampshire  
GU14 6YU  
England  
United Kingdom

## **Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements**

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), 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; and
- make judgements and estimates that are reasonable and prudent.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## Income Statement

for the year ended 31 December 2017

	Notes	2017 £	2016 £
Operating costs	2	-	(5,201)
Other income	3	-	8,226
<b>Operating profit</b>		-	3,025
<b>Profit before taxation</b>		-	3,025
Taxation expense	5	-	-
<b>Result/profit for the year</b>		-	3,025

## Statement of Comprehensive Income

for the year ended 31 December 2017

	2017 £	2016 £
<b>Result/profit for the year</b>	-	3,025
<b>Total other comprehensive income for the year (net of tax)</b>	-	-
<b>Total comprehensive income for the year</b>	-	3,025

The notes on pages 7 to 9 form part of the financial statements.

The results for 2016 arise from discontinued activities.

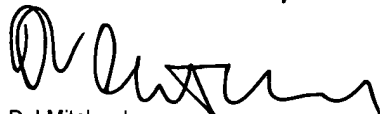
## Balance Sheet

as at 31 December 2017

	Notes	2017 £	2016 £
<b>Current assets</b>			
Trade and other receivables	6	2,417,420	2,417,420
Current tax		61,355	61,355
		<b>2,478,775</b>	<b>2,478,775</b>
<b>Current liabilities</b>			
Trade and other payables	7	(12,975)	(12,975)
<b>Net assets</b>		<b>2,465,800</b>	<b>2,465,800</b>
<b>Capital and reserves</b>			
Issued share capital	8	7,500	7,500
Other reserves	8	2,500	2,500
Retained earnings		2,455,800	2,455,800
<b>Total equity</b>		<b>2,465,800</b>	<b>2,465,800</b>

- a) For the year ended 31 December 2017 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.
- b) Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.
- c) The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the Board on 21 June 2018 and signed on its behalf by:



D J Mitchard  
Director

Registered number: 03146958

## Statement of Changes in Equity

for the year ended 31 December 2017

	Issued share capital	Other reserves	Retained earnings	Total equity
	£	£	£	£
At 1 January 2016	7,500	2,500	2,452,775	2,462,775
Profit for the year	-	-	3,025	3,025
At 31 December 2016	7,500	2,500	2,455,800	2,465,800
At 31 December 2017	7,500	2,500	2,455,800	2,465,800

## Notes to the Financial Statements

### 1 Accounting policies

#### Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard (FRS) 101 Reduced Disclosure Framework issued September 2015. The amendments to FRS 101 (2015/16 cycle) issued in July 2016 and FRS 101 (2016/17 cycle) issued in July 2017 have no impact on the Company for the year ended 31 December 2017.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards (IFRS) as adopted by the EU (EU-adopted IFRS), but makes amendments where necessary in order to comply with the Companies Act 2006 and has taken advantage of the FRS 101 disclosure exemptions where appropriate.

The Company intends to continue to prepare its financial statements in accordance with FRS 101.

The directors intend to dissolve the Company, and, accordingly, the financial statements have not been prepared on a going concern basis.

The following paragraphs summarise the main accounting policies of the Company and have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### Trade and other receivables

Trade and other receivables are stated at their cost less provision for bad debts. A provision for bad debt is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

#### Trade and other payables

Trade and other payables are stated at their cost.

#### Tax

Tax expense comprises current tax. Current tax is recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income. It is the expected tax payable or receivable on the taxable profit or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of the prior years.

### 2 Operating costs

	2017 £	2016 £
Other operating charges	-	5,201
<b>Operating costs</b>	<b>-</b>	<b>5,201</b>
Included within the above analysis are the following expenses:		
Lease and sublease expense	-	4,907

The remuneration of the auditor for the year ended 31 December 2017 for auditing the financial statements was £1,000 (2016: £3,000) and £nil (2016: £nil) in respect of non-audit work and was borne by fellow group undertaking, BAE Systems Surface Ships Limited.

### 3 Other income

	2017 £	2016 £
Other income	-	8,266

### 4 Employees

None of the directors received any emoluments from the Company during the year. All directors who served during the year were employed by BAE Systems plc or by another group company, and were remunerated through that company. The directors did not provide any material qualifying services to the Company.

The Company has no employees (2016: nil).

## Notes to the Financial Statements (continued)

### 5 Tax

The Company has not provided for corporation tax for the year as any taxable profits will be covered by the surrender of losses from fellow group companies, in respect of which no payment will be made.

The following reconciles the expected tax result, using the UK corporation tax rate, to the reported tax result:

	2017 £	2016 £
<b>Result before tax</b>	-	3,025
UK corporation tax rate	19.25%	20.00%
Expected tax expense on result	-	(605)
Losses received from fellow group companies	8,223	9,096
Imputed interest income	(8,223)	(8,491)
<b>Tax result</b>	-	-

Provision for deferred tax is not required.

The UK corporation tax rate was reduced from 20% to 19% with effect from 1 April 2017.

### 6 Trade and other receivables

	2017 £	2016 £
<b>Current</b>		
Amount owed by BAE Systems plc subsidiaries	2,417,420	2,417,420

### 7 Trade and other payables

	2017 £	2016 £
<b>Current</b>		
Amounts owed to BAE Systems plc subsidiaries	12,975	12,975

### 8 Share capital and other reserves

Share capital	£1 Ordinary shares	Nominal value £
<b>Issued and fully paid</b>		
At 1 January and 31 December 2017	7,500	7,500
<b>Other reserves</b>		<b>Capital redemption reserve £</b>
At 1 January and 31 December 2017		2,500

#### Capital redemption reserve

The capital redemption reserve represents the cumulative nominal value of the Company's ordinary shares repurchased and subsequently cancelled.



## Notes to the Financial Statements *(continued)*

### 9 Controlling parties

The Company's immediate parent company is BAE Systems (Operations) Limited and the Company's ultimate parent company is BAE Systems plc. Both companies are incorporated in Great Britain and registered in England and Wales.

The largest and smallest group in which the results of the Company are consolidated is that headed by BAE Systems plc. The consolidated financial statements of BAE Systems plc are available to the public and may be obtained from:

6 Carlton Gardens  
London  
SW1Y 5AD

Website: [www.baesystems.com](http://www.baesystems.com)