

**REGISTERED NUMBER: 03444544**

**Report of the Directors and  
Financial Statements for the year ended 31 December 2010  
for  
GCT Engineering Services Limited**

**SATURDAY**



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**GCT Engineering Services Limited (Registered number: 03444544)**

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for the year ended 31 December 2010**

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# **GCT Engineering Services Limited**

**Company Information**  
**for the year ended 31 December 2010**

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**DIRECTORS**

A B Lane  
A Dixey

**REGISTERED OFFICE.**

19-20 Invincible Road  
Farnborough  
Hampshire  
GU14 7QU

**REGISTERED NUMBER.**

03444544

**AUDITORS.**

Ernst & Young LLP  
Statutory Auditor  
Wessex House  
19 Threefield Lane  
Southampton  
SO14 3QB

# **GCT Engineering Services Limited (Registered number: 03444544)**

## **Report of the Directors for the year ended 31 December 2010**

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The directors present their report with the financial statements of the company for the year ended 31 December 2010

### **PRINCIPAL ACTIVITY**

During the year the company ceased trading. In April 2011, as part of a UK group reorganisation, the company's trade and remaining net assets were transferred to a fellow subsidiary undertaking. The company is now considered to be dormant.

### **DIRECTOR**

A B Lane has held office during the whole of the period from 1 January 2010 to the date of this report.

Other changes in directors holding office are as follows:

M McDonald - resigned 31 December 2010

A Dixey - appointed 1 January 2011

### **GOING CONCERN**

After making appropriate enquiries, the directors have formed a judgement, at the time of approving the financial statements, that there is reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason the directors have adopted the going concern basis in preparing the financial statements.

### **POST BALANCE SHEET EVENTS**

On 30 April 2011, as part of a UK group reorganisation, the company's trade and remaining net assets were transferred to a fellow subsidiary undertaking.

In October 2011, following a group refinancing exercise, Airbus Operations GmbH (a subsidiary of EADS NV, a company incorporated in The Netherlands) acquired 74.9% of the issued share capital and voting rights of PFW Aerospace AG, the company's parent undertaking. EADS NV is now considered to be the company's ultimate parent and controlling party.

### **DIRECTORS' LIABILITIES**

The company has indemnified one or more directors of GCT Engineering Services Limited 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 during the year and remains in place to the date of this report.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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). 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

## **GCT Engineering Services Limited (Registered number: 03444544)**

### **Report of the Directors for the year ended 31 December 2010**

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#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued**

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.

#### **DIRECTORS' STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the company's auditors, each of these directors confirms that

- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware, and

- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD**

A Dixey  Director

Date

23.01.2011

## **Report of the Independent Auditors to the Members of GCT Engineering Services Limited**

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We have audited the company's financial statements for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 17. 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).

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

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on pages two and three, 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 and Ireland). Those standards require us to comply with the Auditing Practices Board'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 of the Directors 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 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

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

## Report of the Independent Auditors to the Members of GCT Engineering Services Limited (continued)

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### 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 take advantage of the small companies' exemption in preparing the Report of the Directors

*Ernst & Young LLP*

David Marshall (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP  
Statutory Auditor  
Southampton

Date *23/2/2012*

**GCT Engineering Services Limited (Registered number: 03444544)**

**Profit and Loss Account  
for the year ended 31 December 2010**

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	Notes	2010 £	2009 £
<b>TURNOVER</b>	2	-	271,039
Cost of sales		<u>-</u>	<u>(174,225)</u>
<b>GROSS PROFIT</b>		-	96,814
Administrative expenses		<u>(13,083)</u>	<u>(171,536)</u>
<b>OPERATING LOSS</b>	5	(13,083)	(74,722)
Interest payable and similar charges	6	<u>(29)</u>	<u>(2)</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(13,112)	(74,724)
Tax on loss on ordinary activities	7	<u>19,876</u>	<u>1,557</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<u>6,764</u>	<u>(73,167)</u>

**DISCONTINUED OPERATIONS**

All of the company's activities were discontinued during the current year

The company's trade and remaining net assets were transferred to a fellow subsidiary undertaking on 30 April 2011 as part of a UK group reorganisation. The company is now considered to be dormant.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

The notes form part of these financial statements

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**GCT Engineering Services Limited (Registered number: 03444544)**

**Balance Sheet**  
**31 December 2010**

	Notes	2010 £	2009 £
<b>FIXED ASSETS</b>			
Tangible assets	8	34,459	41,757
<b>CURRENT ASSETS</b>			
Debtors	9	877,161	862,514
Cash at bank		<u>1,408</u>	<u>-</u>
		878,569	862,514
<b>CREDITORS</b>			
Amounts falling due within one year	10	<u>(371,591)</u>	<u>(363,878)</u>
<b>NET CURRENT ASSETS</b>		<u>506,978</u>	<u>498,636</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		541,437	540,393
<b>PROVISIONS FOR LIABILITIES</b>	12	<u>-</u>	<u>(5,720)</u>
<b>NET ASSETS</b>		<u>541,437</u>	<u>534,673</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	13	100	100
Profit and loss account	14	<u>541,337</u>	<u>534,573</u>
<b>SHAREHOLDERS' FUNDS</b>	16	<u>541,437</u>	<u>534,673</u>

The financial statements were approved by the Board of Directors on 23rd February 2011 and were signed on its behalf by

  
A Dixon, Director

The notes form part of these financial statements

# **GCT Engineering Services Limited (Registered number: 03444544)**

## **Notes to the Financial Statements for the year ended 31 December 2010**

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### **1 ACCOUNTING POLICIES**

#### **Basis of preparation**

The financial statements are prepared on the going concern basis under the historical cost convention, and in accordance with applicable accounting standards

#### **Cash flow statement**

The directors have taken advantage of the exemption in FRS 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes consolidated financial statements

#### **Tangible fixed assets**

All fixed assets are initially recorded at cost

#### **Depreciation**

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows

Plant and machinery	- 15% reducing balance
Licences	- 20% straight line
Fixtures and fittings	- 15% reducing balance

#### **Deferred tax**

Deferred tax 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 exception

- Deferred tax 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 tax 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

#### **Foreign currencies**

Transactions 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 differences are taken to the profit and loss account

#### **Leasing and hire purchase commitments**

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

#### **Pension costs**

The company operated a defined contribution pension scheme. Contributions were charged in the profit and loss account as they become payable in accordance with the rules of the scheme

# GCT Engineering Services Limited (Registered number: 03444544)

## Notes to the Financial Statements - continued for the year ended 31 December 2010

### 1 ACCOUNTING POLICIES - continued

#### Related parties transactions

The company is a wholly owned subsidiary of PFW Aerospace AG, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with group undertakings of the PFW Aerospace AG group.

#### Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods.

### 2 TURNOVER

Turnover in the prior year, which was stated net of value added tax and discounts, represented amounts invoiced to third parties in the prior year. Turnover for the prior year arose solely within the United Kingdom.

### 3 STAFF COSTS

	2010 £	2009 £
Wages and salaries	-	53,719
Social security costs	-	5,998
Other pension costs	-	102
	<u>-</u>	<u>59,819</u>

The average monthly number of employees during the year was as follows

	2010	2009
Directors and administration	<u>-</u>	<u>2</u>

### 4 DIRECTORS' EMOLUMENTS

	2010 £	2009 £
Directors' remuneration	<u>-</u>	<u>30,310</u>

### 5 OPERATING LOSS

The operating loss is stated after charging

	2010 £	2009 £
Other operating leases	-	9,000
Depreciation - owned assets	7,298	11,561
Foreign exchange differences	-	32,756
Auditor's remuneration - audit of the financial statements	-	2,673
Auditor's remuneration - taxation services	-	95
	<u>-</u>	<u>95</u>

Auditor's remuneration for 2010 has been paid by a fellow group company.

# GCT Engineering Services Limited (Registered number: 03444544)

## Notes to the Financial Statements - continued for the year ended 31 December 2010

### 6 INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Bank interest	<u>29</u>	<u>2</u>

### 7 TAXATION

#### Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows

	2010	2009
	£	£
Current tax		
Adjustments in respect of previous periods	(14,156)	-
Deferred tax		
Origination and reversal of timing differences	<u>(5,720)</u>	<u>(1,557)</u>
Tax on loss on ordinary activities	<u>(19,876)</u>	<u>(1,557)</u>

#### Factors affecting the tax credit

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	2010	2009
	£	£
Loss on ordinary activities before tax	<u>(13,112)</u>	<u>(74,724)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 - 28%)	(3,671)	(20,923)
Effects of		
Expenses not deductible for tax purposes	238	241
Decelerated capital allowances	850	1,557
Unrelieved tax losses carried forward	-	19,125
Group relief surrendered for nil payment	2,583	-
Adjustments in respect of previous periods	<u>(14,156)</u>	<u>-</u>
Current tax credit	<u>(14,156)</u>	<u>-</u>

**GCT Engineering Services Limited (Registered number: 03444544)**

**Notes to the Financial Statements - continued**  
**for the year ended 31 December 2010**

**8 TANGIBLE FIXED ASSETS**

	<i>Plant and machinery £</i>	<i>Fixtures and fittings £</i>	<i>Licences £</i>	<i>Totals £</i>
<b>COST</b>				
At 1 January 2010 and 31 December 2010	<u>105,435</u>	<u>13,012</u>	<u>129,047</u>	<u>247,494</u>
<b>DEPRECIATION</b>				
At 1 January 2010	71,883	8,632	125,222	205,737
Charge for year	<u>4,684</u>	<u>657</u>	<u>1,957</u>	<u>7,298</u>
At 31 December 2010	<u>76,567</u>	<u>9,289</u>	<u>127,179</u>	<u>213,035</u>
<b>NET BOOK VALUE</b>				
At 31 December 2010	<u>28,868</u>	<u>3,723</u>	<u>1,868</u>	<u>34,459</u>
At 31 December 2009	<u>33,552</u>	<u>4,380</u>	<u>3,825</u>	<u>41,757</u>

**9 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2010 £	2009 £
Trade debtors	27,057	25,289
Amounts owed by group undertakings	835,457	835,457
Other debtors	119	-
Corporation tax receivable	14,528	-
Prepayments and accrued income	-	1,768
	<u>877,161</u>	<u>862,514</u>

**10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2010 £	2009 £
Bank overdraft	-	718
Trade creditors	2,402	2,402
Amounts owed to group undertakings	368,585	346,483
Corporation tax	-	13,730
Social security and other taxes	544	545
Other creditors	<u>60</u>	-
	<u>371,591</u>	<u>363,878</u>

**GCT Engineering Services Limited (Registered number: 03444544)**

**Notes to the Financial Statements - continued**  
**for the year ended 31 December 2010**

**11 OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

	Land and buildings	
	2010 £	2009 £
Expiring Within one year	<u>-</u>	<u>9,000</u>

**12 PROVISIONS FOR LIABILITIES**

	2010 £	2009 £
Deferred tax Capital allowances in advance of depreciation	<u>-</u>	<u>5,720</u>
		<i>Deferred tax</i>
		£
Balance at 1 January 2010		5,720
Deferred tax credit in P&L		<u>(5,720)</u>
Balance at 31 December 2010		<u>-</u>

**13 CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid Number	Class	Nominal value £1	2010 £	2009 £
100	Ordinary shares		<u>100</u>	<u>100</u>

**14 RESERVES**

	<i>Profit and loss account</i> £
At 1 January 2010	534,573
Profit for the year	<u>6,764</u>
At 31 December 2010	<u>541,337</u>

## **GCT Engineering Services Limited (Registered number: 03444544)**

### **Notes to the Financial Statements - continued for the year ended 31 December 2010**

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#### **15 ULTIMATE PARENT COMPANY**

The company's immediate parent company is PFW UK Holdings Limited and the company's ultimate parent and controlling party was PFW Aerospace AG, a company incorporated in Germany

PFW Aerospace AG was the holding company of the smallest and largest group for which group accounts were prepared and of which the company is a member. Copies of the financial statements are available from

Am Neuen Rheinhafen 10  
67346 Speyer  
Germany

In October 2011, Airbus Operations GmbH (a subsidiary of EADS NV) acquired a 74.9% controlling interest in PFW Aerospace AG and EADS NV is now considered to be the ultimate parent and controlling party

#### **16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	2010	2009
	£	£
Profit/(Loss) for the financial year	<u>6,764</u>	<u>(73,167)</u>
<b>Net addition/(reduction) to shareholders' funds</b>	6,764	(73,167)
Opening shareholders' funds	<u>534,673</u>	<u>607,840</u>
<b>Closing shareholders' funds</b>	<u>541,437</u>	<u>534,673</u>

#### **17 POST BALANCE SHEET EVENTS**

On 30 April 2011, as part of a UK group reorganisation, the company's trade and remaining net assets were transferred to a fellow subsidiary undertaking

In October 2011, following a group refinancing exercise, Airbus Operations GmbH (a subsidiary of EADS NV, a company incorporated in The Netherlands) acquired 74.9% of the issued share capital and voting rights of PFW Aerospace AG, the company's parent undertaking. EADS NV is now considered to be the company's ultimate parent and controlling party