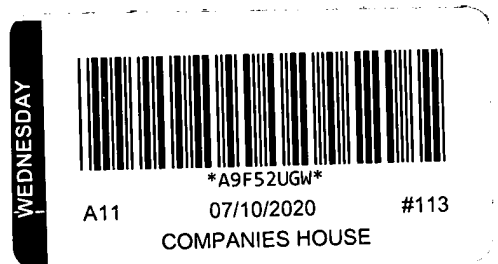


Registered Number 04141148

Lockheed Martin UK Ampthill Group Limited

Annual Report and Financial Statements

31 December 2019



Lockheed Martin UK Ampthill Group Limited

Directors

Mr L. Fellows
Mr N. Hebron
Mr P. Ruddock
Mr DT Belvin

Auditors

Ernst & Young LLP
400 Capability Green
Luton
Bedfordshire
LU1 3LU

Bankers

Citibank
Citigroup Centre
Canada Square
Canary Wharf
London
E14 5LB

Registered Office

Reddings Wood
Ampthill
Bedfordshire
MK45 2HD

Lockheed Martin UK Ampthill Group Limited

Registered Number 04141148

Directors' report

The directors present their annual report and the financial statements for the year ended 31 December 2019.

Principal activities and business review

The Company is an intermediate holding company, whose subsidiary is involved in the design, development, trial and manufacture of defence equipment.

The company made a loss before and after tax of £2,000 (2018 : £2,000 loss)

Directors' and officers' liability insurance

Lockheed Martin UK Ampthill Group Limited maintains insurance against certain liabilities, which could arise from a negligent act or a breach of duty by its directors and officers in the discharge of their duties.

Going Concern

As stated above the Company does not trade and acts as an intermediate holding company.

The directors, having assessed the Company have no reason to believe that a material uncertainty exists that casts significant doubt over its ability to continue as a going concern. The Company expects to maintain its positive net asset position for the foreseeable future and has the support of its ultimate parent undertaking Lockheed Martin Corporation for a period of at least 12 months from the date the financial statements are signed.

On the basis of their assessment of the Company's financial position and of the enquiries made, the directors reasonably expect that the Company will be able to continue in existence for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

In making this assessment, the Company's subsidiary (Lockheed Martin UK Ampthill Limited) has given sufficient consideration to the current external, social, political and economic environment. The implications of COVID-19 have been considered by the subsidiary in arriving at this conclusion. This event does not alter the directors' assessment of the Company's ability to continue as a going concern as set out above.

Directors

The directors of the Company during the period to the date of this report were:

Mr C Edwards (appointed 9 September 2019 & resigned 28 July 2020)

Mr A Lines (resigned 23 August 2019)

Mr L Fellows (appointed 9 September 2019)

Mr N Hebron

Mr J Glaub (resigned 3 September 2019)

Mr P Ruddock

Mr P Sunderlin (resigned 29 January 2019)

Mr M Williamson (appointed 29 January 2019 & resigned 3 April 2020)

Mr DT Belvin (appointed 7 April 2020)

There were no contracts with the Company during the year in which any of the directors had a material interest.

Lockheed Martin UK Ampthill Group Limited

Registered Number 04141148

Directors' report (continued)

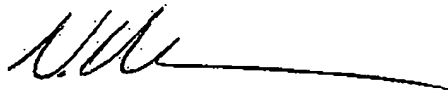
Directors' statement as to disclosure of information to auditors

The directors who were members of the board at the time of approving the directors' report are listed on page 2. 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.

The directors have taken advantage of the small companies exemption provided by Section 415a of the Companies Act 2006.

By order of the Board



Neil Hebron
Director

Date 29 SEP 2020

Statement of directors' responsibilities in respect of the financial statements

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). 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 judgments and estimates that are reasonable and prudent; and
- 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 a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper 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 to 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 LOCKHEED MARTIN UK AMPHILL GROUP LIMITED

Opinion

We have audited the financial statements of Lockheed Martin UK Amphyll Group Limited (the 'company') for the year ended 31 December 2019 which comprise the Income Statement, the Statement of comprehensive income, the Statement of Financial Position, the Statement of changes in equity and the related notes 1 to 11, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 below. 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 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.

Emphasis of matter – Effects of COVID-19

We draw attention to the director's report and Note 10 of the financial statements, which describe the economic and social consequences the company is facing as a result of COVID-19. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOCKHEED MARTIN UK AMPHILL GROUP LIMITED (continued)

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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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.
- the directors were not entitled to prepare the financial statements in accordance with the 'small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

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, 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.

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 Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

Ernst & Young LLP

David Marshall (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
Luton

Date: 30 September 2020

Lockheed Martin UK Ampthill Group Limited

Income statement

for the year ended 31 December 2019

	Notes	2019 £000	2018 £000
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(2)	(2)
Operating loss	2	(2)	(2)
Interest payable and similar charges		-	-
Loss on ordinary activities before taxation		(2)	(2)
Tax on loss on ordinary activities	3	-	-
Loss for the financial year		(2)	(2)

All amounts relate to continuing operations.

Statement of comprehensive income

for the year ended 31 December 2019

	2019 £000	2018 £000
Loss for the financial year	(2)	(2)
Other comprehensive income	-	-
Total comprehensive loss for the financial year	(2)	(2)

Lockheed Martin UK Amphill Group Limited

Statement of Financial Position

as at 31 December 2019

	Notes	2019 £000	2018 (Restated) £000
Fixed Assets			
Investments	6	33,037	33,037
		<u>33,037</u>	<u>33,037</u>
Creditors due in less than one year	7	(26,996)	(26,994)
Net current liabilities		<u>(26,996)</u>	<u>(26,994)</u>
Total assets less current liabilities		<u><u>6,041</u></u>	<u><u>6,043</u></u>
Capital, and Reserves			
Called up share capital	8	10	10
Share premium account		502	502
Capital reserve	8	12,524	12,524
Profit & Loss account		(6,995)	(6,993)
		<u><u>6,041</u></u>	<u><u>6,043</u></u>

Approved by the Board and signed on its behalf by:


 Neil Hebron
 Director

Date: 29 SEPTEMBER 2020

Registered Number 04141148

Statement of changes in equity
for the year ended 31 December 2019

	Called up share capital £000	Capital reserve £000	Share premium account £000	Profit & Loss account £000	Total £000
Balance as previously reported as at 1 Jan 2018:	9	12,525	502	(6,991)	6,045
Restatement (see Note 8)	1	(1)	-	-	-
Balance at 1 January 2018 (as restated):	10	12,524	502	(6,991)	6,045
Loss for the year	-	-	-	(2)	(2)
Balance at 1 January 2019	10	12,524	502	(6,993)	6,043
Loss for the year	-	-	-	(2)	(2)
Balance as at 31 December 2019	10	12,524	502	(6,995)	6,041

Notes to the financial statements

1 Accounting policies

Statement of compliance

Lockheed Martin UK Ampthill Group Limited is a limited liability company incorporated and domiciled in England. The registered office is Reddings Wood, Ampthill, Bedfordshire, MK45 2HD.

The entity's financial statements have been prepared in compliance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, as it applies to the financial statements of the entity for the year ended 31 December 2019.

Lockheed Martin Corporation is the parent company identified in the definition of the term qualifying entity. The financial statements of Lockheed Martin UK Ampthill Group Limited are consolidated into the financial statements of Lockheed Martin Corporation which can be obtained on its website www.lockheedmartin.com

These financial statements were authorised for issue by the Board of Directors on the date shown on the Statement of Financial Position (page 8).

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and the Companies Act 2006. The financial statements are prepared in sterling which is the financial currency of the company and rounded to the nearest thousand pound sterling.

The financial statements are prepared on a going concern basis due to the support provided by the ultimate parent undertaking, the Lockheed Martin Corporation for a period of at least 12 months from the date the financial statements are signed.

Preparation of group financial statements

The company has utilised the exemption available under section 401(1) of the Companies Act 2006, as a wholly owned subsidiary undertaking whose ultimate parent undertaking has prepared applicable consolidated financial statements which include the company and its subsidiary and joint venture undertakings. Accordingly, these financial statements present information about the company as an individual undertaking and not about its group.

The company has utilised the exemption under FRS 102 section 1.12 as a subsidiary undertaking whose ultimate parent undertaking prepares consolidated group financial statements that are publicly available, and has adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes,
- financial instrument disclosures and hedge accounting disclosures
- share-based payment arrangements; and
- key management personnel compensation

The company has also taken advantage of the exemption available under FRS 102.33 1A not to present disclosures of transactions entered into between two or more members of a group.

Capital Instruments

Shares are included in shareholders' funds; other instruments are classified as liabilities if they contain an obligation to transfer economic benefits and they are not included in shareholders' funds. The finance cost recognised in the profit and loss account in respect of capital instruments other than equity shares is allocated to periods over the term of the instrument and at a constant rate on the carrying amount.

Notes to the financial statements

1 Accounting policies (continued)

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Income Statement.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Income Statement.

2 Operating loss

2019	2018
£000	£000

Operating loss is stated after charging the following amounts:

Audit of the financial statements	2	2
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The auditors fees are paid by the Company's subsidiary (Lockheed Martin UK Ampthill Limited) and recharged to Lockheed Martin UK Ampthill Group Limited.

Notes to the financial statements

3 Tax on loss on ordinary activities

a) Tax on loss on ordinary activities:

	2019	2018
	£000	£000
Current Tax:	-	-
UK corporation tax at 19.00% (2018: 19.00%)	-	-
Deferred Tax:	-	-
Origination and reversal of timing differences	-	-
Tax on loss on ordinary activities	-	-

b) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%). The differences are reconciled below:

	2019	2018
	£000	£000
Loss on ordinary activities before tax	(2)	(2)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(1)	(1)
Effects of group relief/other relief	1	1
Total current tax	-	-

c) Factors that may affect future tax charges:

There are no factors which may affect future tax charges.

4 Employees

The company had no employees in either year.

5 Directors' emoluments

Directors' emoluments were £nil (2018: £nil).

No directors received any emoluments for their services as directors of the company for the year (2018: £nil).

Lockheed Martin UK Amptill Group Limited

Notes to the financial statements

6 Investments

	Shares in subsidiaries £000
Cost:	
At 1 January 2019 and 31 December 2019	41,037
Amounts provided:	
At 1 January 2019 and 31 December 2019	(8,000)
Net book value:	
At 1 January 2019 and 31 December 2019	<u>33,037</u>

Details of the investments in which the Company holds 20% or more of the nominal value of any class of share capital is as follows:

	Holding	Country of Registration/ Incorporation	Nature of Business
Lockheed Martin UK Amptill Limited	100%	England & Wales	Defence

7 Creditors: amounts falling due within one year

	2019 £000	2018 £000
Owing to group undertakings	<u>26,996</u>	<u>26,994</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Notes to the financial statements

8 Share capital

	2019	2018 (Restated)
	£000	£000
Alotted, called up and fully paid:		
Ordinary shares (1,000,000 shares of £0.01 each)	10	10
Share capital as at 31 December 2019	10	10

The company identified that certain share capital changes were carried out in 2005 whereby: (i) 625,000 preferred ordinary shares of £0.01 p each were re-designated as 625,000 ordinary shares of £0.01 p; (ii) 26,500 new B ordinary shares of £0.01 p each were issued; and (iii) the newly issued 26,500 new B ordinary shares of £0.01 p each, together with a further 48,500 B existing ordinary shares of £0.01 p each, were re-designated as 75,000 ordinary shares of £0.01 p each. These changes were not reflected in the financial statements in prior periods from 2005 to 2018. As a result, the 2018 share capital comparative analysis above has been restated to reflect this change. The impact of this is a restatement of total share capital value from £9,250 to £10,000 and with a corresponding reduction in the capital reserve from £12,525,000 to £12,524,250.

9 Related party transactions

The Company has utilised the exemption under FRS 102.1 as a subsidiary undertaking not to disclose transactions with other entities that are wholly owned parts of, or investors of, the Lockheed Martin Corporation group. There were no other related party transactions.

10 Post balance sheet event

The COVID-19 pandemic has been assessed as a non-adjusting post balance sheet event and has no impact of the conditions or the measurement of assets and liabilities in the accounts at the balance sheet date.

Detailed impact assessments and scenario planning was undertaken by the Company's subsidiary and has taken into account various factors including: financial, commercial supply chain, regulatory, operational and employee related considerations. At the current time, it is not considered that the implications of the COVID-19 pandemic will have a material degradation in any of these areas, now or in the foreseeable future, and the situation will be evaluated as it continues to develop.

11 Ultimate parent undertaking

The directors regard Lockheed Martin Corporation, a company registered in the USA, as the ultimate parent company and controlling entity. Copies of the ultimate parent's consolidated financial statements may be obtained from Lockheed Martin Investor Department, 6801 Rockledge Drive, Bethesda, Maryland, 20817, USA. Lockheed Martin Corporation is the parent undertaking of the largest and smallest Group of undertakings for which group financial statements are drawn up and of which the Company is a member.

The Company's immediate parent undertaking is Lockheed Martin UK Holdings Limited.