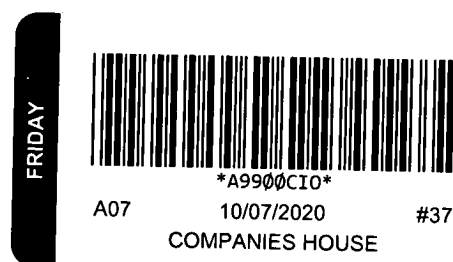


BAE Systems Datagate Holdings Limited

Annual Report and Financial Statements

31 December 2019

Registered number : 04788209



Contents

	Page
Directors' Report	1
Directors' Responsibilities Statement	2
Balance Sheet	3
Statement of Changes in Equity	4
Notes to the Financial Statements	5 - 8

Directors' Report

Company registration

BAE Systems Datagate Holdings Limited (the "Company") is a private company, limited by shares and registered in England and Wales with the registered number 04788209.

Results and dividends

The directors do not propose a dividend for 2019 (2018 £nil).

Business review and principal activities

The Company has been dormant, as defined in section 1169 of the Companies Act 2006, throughout the year under review and the preceding year. The directors intend to dissolve the Company.

Going concern

The Company has ceased to trade and, on this basis the financial statements have not been prepared on a going concern basis.

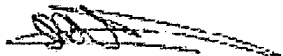
Directors and their interests

The directors who served throughout the year and up to the date of this report, unless otherwise stated, were as follows:

J E Fothergill (appointed 30 September 2019)
A P Varney (resigned 30 September 2019)
A W Morgan

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.

This report was approved by the Board and signed on its behalf by



J E Fothergill
Director

Date 29 June 2020

Registered office:
BAE Systems Datagate Holdings Limited
Warwick House
PO Box 87
Farnborough Aerospace Centre
Hampshire
GU14 6YU
United Kingdom

Directors' Responsibilities Statement

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 Financial Reporting Standard 101 (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 judgments and accounting 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 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.

Balance Sheet
as at 31 December 2019

	Note	2019 £	2018 £
Current assets			
Trade and other receivables	5	659,870	659,870
		<u>659,870</u>	<u>659,870</u>
Current liabilities			
Trade and other payables	6	(50,841)	(50,841)
		<u>(50,841)</u>	<u>(50,841)</u>
Net assets		<u><u>609,029</u></u>	<u><u>609,029</u></u>
Capital and reserves			
Issued share capital	7	1,000	1,000
Retained earnings		608,029	608,029
Total equity		<u><u>609,029</u></u>	<u><u>609,029</u></u>

The Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

Approved by the Board on 29 June 2020 and signed on its behalf by



J E Fothergill
Director

Registered number: 04788209

Statement of Changes in Equity
for the year ended 31 December 2019

	Issued share capital	Retained earnings	Total equity
	£	£	£
At 1 January 2018	1,000	608,029	609,029
At 31 December 2018	<u>1,000</u>	<u>608,029</u>	<u>609,029</u>
At 31 December 2019	<u><u>1,000</u></u>	<u><u>608,029</u></u>	<u><u>609,029</u></u>

The notes on pages 5 to 8 form part of these financial statements.

Notes to the Financial Statements

1. Accounting policies

1.1 Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 (FRS 101) "Reduced Disclosure Framework". The Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards (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 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.

1.2 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 at the reporting date, and any adjustment to tax payable in respect of the previous years.

1.3 Investments

Investments in shares in subsidiary undertakings and in shares in participating interests are stated at cost less provision for impairment.

1.4 Impairment

The carrying amounts of the Company's intangible assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment as required by IAS 36, Impairment of Assets. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Impairment losses are recognised in the Income Statement.

An impairment loss is only reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised or if there has been a change in the estimate used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the Financial Statements

1. Accounting policies (continued)

1.5 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.

1.6 Trade and other payables

Trade and other payables are stated at their cost.

2. 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 (Operations) Limited and were remunerated through that company. The directors did not provide any material qualifying services to the Company.

The Company has no employees (2018 nil).

3. Tax

The Company has not provided for current 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.

Reconciliation of tax expense

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

	2019 £	2018 £
Result before tax	-	-
UK corporation tax rate	<u>19.00%</u>	<u>19.00%</u>
Expected tax income on result	-	-
Imputed interest (income)	(1,017)	(1,333)
Losses received from fellow group companies	<u>1,017</u>	<u>1,333</u>
Tax result	<u>-</u>	<u>-</u>

Notes to the Financial Statements

4. Investments

	Subsidiary companies £
Cost	
At 1 January 2019	1,000
At 31 December 2019	1,000
Provision for impairment	
At 1 January 2019	1,000
At 31 December 2019	1,000
Net book value	
At 31 December 2019	-
At 31 December 2018	-

During the year, management conducted an impairment review of the investments held by the Company. As a result of this review there were no impairment reversals.

The recoverable amount of the investments held by the Company has been calculated with reference to their value in use. The value in use calculations use risk-adjusted future cash flow projections based on the five-year Integrated Business Plan (IBP) and include a terminal value based on the projections for the final year of that plan, with growth rate assumptions in the range 0% to 2% applied. The IBP process includes the use of historic experience, available government spending data and the BAE Systems plc group's order backlog. Pre-tax discount rates, derived from the group's post-tax weighted average cost of capital of 6.62% (2018 6.36%) (adjusted for risks specific to the market in which the cash-generating unit operates), have been used in discounting these projected risk-adjusted cash flows.

Subsidiary undertakings and participating interests at 31 December 2019

In accordance with Section 409 of the Companies Act 2006, a full list of subsidiary undertakings and significant holdings as at 31 December 2019 is disclosed below. Unless otherwise stated, all subsidiary undertakings and significant holdings are owned directly by the Company and have a financial year end of 31 December. Their registered office is Warwick House, PO Box 87, Farnborough Aerospace Centre, Farnborough, Hampshire, GU14 6YU, United Kingdom.

Company name	Class of shares held	Proportion of class (%)
BAE Systems Datagate Limited	Ordinary shares of £1	100%

Notes to the Financial Statements

5. Trade and other receivables

	2019 £	2018 £
Current		
Amounts owed by BAE Systems plc subsidiaries	659,870	659,870
	<u>659,870</u>	<u>659,870</u>

6. Trade and other payables

	2019 £	2018 £
Current		
Amounts owed to BAE Systems plc subsidiaries	50,841	50,841
	<u>50,841</u>	<u>50,841</u>

7. Share capital

	£1 Ordinary shares	Nominal value £
Issued and fully paid		
At 1 January 2018, 31 December 2018 and 31 December 2019	<u>1,000</u>	<u>1,000</u>

8. Controlling parties

The immediate parent company is BAE Systems Datagate Pty Limited, a company incorporated and registered in Australia and the ultimate controlling party is BAE Systems plc, which is both the smallest and largest parent company preparing group financial statements. BAE Systems plc is incorporated in the United Kingdom and registered in England and Wales.

The consolidated financial statements of BAE Systems plc are available to the public and may be obtained from its registered address:

6 Carlton Gardens
London
SW1Y 5AD

Website: www.baesystems.com