

**Sierra Nevada Corporation Mission
Systems UK, Ltd**

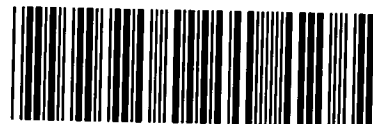
Directors' Report and Financial Statements

Year Ended

31 December 2020

Company Number 09980940

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Sierra Nevada Corporation Mission Systems UK, Ltd

Company Information

Directors	H T Baker G Livingston
Registered number	09980940
Registered office	The St Botolph Building 138 Houndsditch London EC3A 7AR
Independent auditor	BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL

Sierra Nevada Corporation Mission Systems UK, Ltd

Contents

	Page
Directors' Report	1
Directors' Responsibilities Statement	2
Independent Auditor's Report	3 - 6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 - 19

Sierra Nevada Corporation Mission Systems UK, Ltd

Directors' Report For the Year Ended 31 December 2020

The directors present their report together with the audited financial statements for the year ended 31 December 2020.

The prior period comparatives represent the 9 month period from 3 April 2019 to 31 December 2019.

Principal activity

The principal activity of the company is that of defence system engineering.

Directors

The directors who served during the year were:

H T Baker
G Livingston

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 28 September 2021

and signed on its behalf.



H T Baker
Director

Sierra Nevada Corporation Mission Systems UK, Ltd

Directors' Responsibilities Statement For the Year Ended 31 December 2020

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 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; 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.

Sierra Nevada Corporation Mission Systems UK, Ltd

Independent Auditor's Report to the Members of Sierra Nevada Corporation Mission Systems UK, Ltd

Opinion on the 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 2020 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.

We have audited the financial statements of Sierra Nevada Corporation Mission Systems UK, Ltd ("the company") for the year ended 31 December 2020 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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. 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.

Independence

We remain 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.

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.

Sierra Nevada Corporation Mission Systems UK, Ltd

Independent Auditor's Report to the Members of Sierra Nevada Corporation Mission Systems UK, Ltd (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' report, other than the financial statements and our auditor's report thereon. 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.

Other Companies Act 2006 reporting

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

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 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; or
- 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, 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.

Sierra Nevada Corporation Mission Systems UK, Ltd

Independent Auditor's Report to the Members of Sierra Nevada Corporation Mission Systems UK, Ltd (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.

Extent to which the audit was 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:

Based on our understanding of the Company, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management incentives and opportunities for fraudulent manipulation of the financial statements including management override and considered that the principal risks were related to the posting of inappropriate journal entries.

Procedures performed by the audit team included:

- Discussions with Management regarding known or suspected instances of non-compliance of laws and regulations;
- Assessment of journal entries to accounts that are considered to carry a greater risk of fraud as part of our planned audit approach;
- Assessing the judgements made by management when making key accounting estimates and judgements, and challenging management on the appropriateness of these judgements; and
- Evaluation of controls designed to prevent and detect irregularities.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Sierra Nevada Corporation Mission Systems UK, Ltd

Independent Auditor's Report to the Members of Sierra Nevada Corporation Mission Systems UK, Ltd (continued)

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.

DocuSigned by:

Christopher Driver

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Christopher Driver (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Southampton
United Kingdom

28 September 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Sierra Nevada Corporation Mission Systems UK, Ltd

Statement of Comprehensive Income For the Year Ended 31 December 2020

		Year Ended 31 December 2020 £	9 Month Period Ended 31 December 2019 £
	Note		
Turnover		1,702,570	349,349
Cost of sales		(251,083)	(71,429)
Gross profit		1,451,487	277,920
Administrative expenses		(1,314,796)	(473,270)
Operating profit/(loss)		136,691	(195,350)
Interest payable and expenses		(11,124)	-
Profit/(loss) before tax		125,567	(195,350)
Tax on profit/(loss)	5	(15,772)	-
Profit/(loss) for the financial year/period		109,795	(195,350)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the year/period		109,795	(195,350)

The notes on pages 10 to 19 form part of these financial statements.

Sierra Nevada Corporation Mission Systems UK, Ltd

Registered number: 09980940

Statement of Financial Position As at 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	6		366,266		157,278
Current assets					
Stocks	7	2,399		-	
Debtors: amounts falling due within one year	8	480,294		24,405	
Cash at bank and in hand		481,170		15,482	
		<u>963,863</u>		<u>39,887</u>	
Creditors: amounts falling due within one year	9	(1,139,810)		(132,413)	
Net current liabilities			(175,947)		(92,526)
Deferred tax		(15,772)		-	
Net assets			174,547		64,752
Capital and reserves					
Called up share capital	11		100		100
Profit and loss account	12		174,447		64,652
Total equity			174,547		64,752

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2021



H T Baker
Director

The notes on pages 10 to 19 form part of these financial statements.

Sierra Nevada Corporation Mission Systems UK, Ltd

Statement of Changes in Equity For the Year Ended 31 December 2020

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2020	100	64,652	64,752
Comprehensive income for the year			
Profit for the year	-	109,795	109,795
Total comprehensive income for the year	-	109,795	109,795
At 31 December 2020	100	174,447	174,547

Statement of Changes in Equity For the Period Ended 31 December 2019

	Called up share capital £	Profit and loss account £	Total equity £
At 3 April 2019	100	132,146	132,246
Comprehensive loss for the period			
Loss for the period	-	(195,350)	(195,350)
Total comprehensive loss for the period	-	(195,350)	(195,350)
Capital contribution	-	127,856	127,856
At 31 December 2019	100	64,652	64,752

The notes on pages 10 to 19 form part of these financial statements.

Sierra Nevada Corporation Mission Systems UK, Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

1. General information

Sierra Nevada Corporation Mission Systems UK, Ltd is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activity are set out in the directors' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. All values are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on the going concern basis as the directors have prepared detailed forecasts for a period of at least 12 months from the date of signing the financial statements which show that the company is expected to be able to meet all its liabilities as they fall due. In addition the company has support from its ultimate parent, Sierra Nevada Corporation, which is well financed and has the ability to support the business if required.

In assessing the company's going concern status, the directors acknowledge that the outbreak of COVID-19 has continued to have a profound impact on the global and UK economy and businesses. The directors have therefore produced a detailed going concern stress test for the company. The conclusion of our stress test is that the business could comfortably sustain the loss of turnover for a period of 6 months during the course of the 12 months following the date of approval of the financial statements, without exceeding current banking facilities. The company may, however, require further funds to finance the company's activities going forward should the COVID-19 pandemic, and consequential lockdown, affect operations or impact market demand for a prolonged period in excess of 6 months. However, a significant part of forecast revenues over the next 12 months relate to contracts that will remain unaffected by COVID-19, and which are already secured or awaiting confirmation and therefore the directors consider the likelihood of a loss of turnover for 6 months to be remote. As noted above, should the company require additional funding then this will be provided by its parent company in line with that which it has already benefited from post year end.

Given the support from its ultimate parent, in respect of which, the company has received a formal letter from the parent company confirming such commitment, and secured and anticipated contract wins, the company is expected to remain in a strong financial position during the forecast period. The directors are confident of being able to trade for a period of at least 12 months from the date of approval of the financial statements and have therefore concluded that it is appropriate for the financial statements to be prepared on the going concern basis and that no material uncertainty exists.

Sierra Nevada Corporation Mission Systems UK, Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.5 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.6 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- 10% straight line
Plant and machinery	- 10% straight line
Fixtures and fittings	- 20% straight line
Computer equipment	- 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Sierra Nevada Corporation Mission Systems UK, Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the statement of financial position.

2.13 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Sierra Nevada Corporation Mission Systems UK, Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.13 Financial instruments (continued)

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Sierra Nevada Corporation Mission Systems UK, Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 6)

Tangible fixed assets, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

4. Employees

The average monthly number of employees, including directors, during the year was 8 (9 month period ended 31 December 2019 - 6).

Sierra Nevada Corporation Mission Systems UK, Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

5. Taxation

	Year Ended 31 December 2020 £	9 Month Period Ended 31 December 2019 £
Current tax		
Current tax on profits for the year	-	-
Total current tax	-	-
Deferred tax		
Changes to tax rates	15,772	-
Total deferred tax	15,772	-

Factors that may affect future tax charges

The company currently has losses of £198,669 (9 month period ended 31 December 2019 - £147,445) that can be utilised against future trading profits within the company.

Sierra Nevada Corporation Mission Systems UK, Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

6. Tangible fixed assets

	Short-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2020	133,029	1,790	25,356	18,525	178,700
Additions	6,918	-	9,840	274,546	291,304
Disposals	-	-	(239)	(4,157)	(4,396)
At 31 December 2020	<u>139,947</u>	<u>1,790</u>	<u>34,957</u>	<u>288,914</u>	<u>465,608</u>
Depreciation					
At 1 January 2020	7,871	1,790	3,212	8,549	21,422
Charge for the year	13,302	-	6,485	61,090	80,877
Disposals	-	-	(299)	(2,658)	(2,957)
At 31 December 2020	<u>21,173</u>	<u>1,790</u>	<u>9,398</u>	<u>66,981</u>	<u>99,342</u>
Net book value					
At 31 December 2020	<u>118,774</u>	<u>-</u>	<u>25,559</u>	<u>221,933</u>	<u>366,266</u>
At 31 December 2019	<u>125,158</u>	<u>-</u>	<u>22,144</u>	<u>9,976</u>	<u>157,278</u>

7. Stocks

	2020 £	2019 £
Finished goods and goods for resale	<u>2,399</u>	<u>-</u>

Sierra Nevada Corporation Mission Systems UK, Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

8. Debtors: amounts falling due within one year

	2020 £	2019 £
Trade debtors	248,839	8,767
Amounts owed by group undertakings	216,909	-
Other debtors	4,067	10,193
Prepayments and accrued income	10,479	5,445
	<u>480,294</u>	<u>24,405</u>

9. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	112,415	35,517
Amounts owed to group undertakings	768,131	22,563
Other taxation and social security	32,336	14,470
Other creditors	4,213	2,158
Accruals and deferred income	222,715	57,705
	<u>1,139,810</u>	<u>132,413</u>

10. Deferred taxation

	2020 £
Charged to profit or loss	(15,772)
At end of year	<u><u>(15,772)</u></u>

The deferred taxation balance is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(15,772)	-
	<u><u>(15,772)</u></u>	<u><u>-</u></u>

Sierra Nevada Corporation Mission Systems UK, Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

11. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

12. Reserves

The company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments such as the capital contribution received.

13. Commitments under operating leases

At 31 December 2020 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	16,050	16,050
Later than 1 year and not later than 5 years	64,200	64,200
Later than 5 years	46,813	62,863
	<u>127,063</u>	<u>143,113</u>

14. Pensions

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £24,284 (9 month period ended 31 December 2019 - £8,553). Contributions totalling £4,213 (2019 - £2,158) were payable to the fund at the balance sheet date and are included in creditors.

Sierra Nevada Corporation Mission Systems UK, Ltd

Notes to the Financial Statements For the Year Ended 31 December 2020

15. Related party transactions

The company has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

Key management remuneration paid by the company totalled £251,744 (9 month period ended 31 December 2020 - £187,752).

16. Controlling party

The company's immediate parent undertaking is SNC Holdings 2 LLC and its ultimate parent undertaking is Sierra Nevada Corporation. Both companies are incorporated in the United States of America.

Certificate Of Completion

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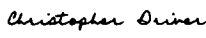
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