

BAE SYSTEMS Land Systems (Singapore Investments) Limited
Directors' report and financial statements
Year ended 31 December 2012
Registered number 3570526



DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Contents

Directors' report	1
Statement of directors' responsibilities in respect of the directors' report and the financial statements	2
Profit and loss account	3
Balance sheet	3
Notes to the financial statements	4

Directors' report

The directors present their annual report and the unaudited financial statements for the year ended 31 December 2012

Business review

The Company is a wholly owned subsidiary of BAE SYSTEMS Land Systems (Finance) Limited. The Company is an investment holding company and has not traded in the period.

Profit and dividends

The Company made no profit or loss for the year (2011 £nil). The directors do not recommend the payment of a dividend (2011 £nil).

Principal risks and uncertainties

The principal risk facing the Company is impairment of an investment in a subsidiary. The subsidiaries of the Company are involved in the design, development and construction of vehicles. The types of risks facing the Company's subsidiaries are explained in more detail in the Annual report of BAE SYSTEMS plc.

Going concern

The company has considerable financial reserves and as a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Directors

The directors who held office during the year and at the date of this report were as follows:

C N J Sparkes	Resigned	30 April 2013
C A Blakemore	Resigned	4 February 2013
D A Bond	Appointed	4 February 2013
M S Miller	Appointed	30 April 2013

By order of the Board



M S Miller
Director

Warwick House
PO Box 87
Farnborough Aerospace Centre
Farnborough
Hants
GU14 6YU

10TH JUNE 2013

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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,
- 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Profit and loss account
for the year ended 31 December 2012

During the financial year and the preceding financial year the Company did not trade and received no income and incurred no expenditure. Consequently during these years the Company made neither a profit nor a loss.

Balance sheet
at 31 December 2012

	Note	2012 £	2011 £
Fixed Assets			
Investments	3	<u>11,895,696</u>	<u>11,895,696</u>
Creditors due within one year	4	<u>(11,895,695)</u>	<u>(11,895,695)</u>
Net current liabilities		<u>(11,895,695)</u>	<u>(11,895,695)</u>
Total assets less current liabilities		<u>1</u>	<u>1</u>
Capital and reserves			
Called up share capital	5	1	1
Reserves	6	-	-
Equity shareholder's funds	7	<u>1</u>	<u>1</u>

The notes on pages 4 to 6 form part of these financial statements

- (a) For the year ended 31st December 2012 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies
- (b) Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006
- (c) The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

Approved by the board of directors on 10TH JUNE 2013 and signed on their behalf by



M S Miller
Director
Company registered number 3570526

Notes to the financial statements

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements

Basis of preparation

The financial statements have been prepared under historical cost accounting rules, and in accordance with the Companies Act 2006 and applicable accounting standards

Under Financial Reporting Standard 1 – Cash flow statements (FRS 1) the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements

As the Company is a wholly owned subsidiary of BAE SYSTEMS plc, the Company has taken advantage of the exemption contained in Financial Reporting Standard 8 – Related Party Disclosures (FRS 8) and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of BAE SYSTEMS plc, within which this Company is included, can be obtained from the address given in note 8

FRS 29

As the Company is a wholly owned subsidiary of BAE SYSTEMS plc, it is exempt from presenting Financial Reporting Standard 29 – Financial Instruments Disclosures (FRS 29) disclosures as full equivalent disclosures are presented on a group basis within the consolidated financial statements

Investments

Fixed asset investments are included at cost less provision for any diminution in value

Taxation

The charge for taxation is based on the profit for the year and takes account of taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised on an undiscounted basis in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date where there is an obligation to pay more tax, or a right to pay less tax, in the future

2 Directors' remuneration, staff numbers and costs

The only persons employed by the Company during the period were the directors, none of whom received any remuneration from the Company (2011 £nil). The directors of the Company were paid for their services by fellow group undertaking BAE SYSTEMS Global Combat Systems Limited. Disclosure of these amounts is given in the financial statements of that companies

Notes to the financial statements *(continued)*

3 Investments

	£
At 31 December 2011 and at 31 December 2012	<u>11,895,696</u>

The carrying value of investments was wholly in respect of unlisted subsidiary undertakings

The directors acknowledge that given the uncertainty over the future profitability of the subsidiary undertakings, up to £3.4m of the investments currently held may not be recoverable. However, no adjustment has been made in the accounts in respect of this.

The Company held the following investments at 31 December 2012

	% of Ordinary Share Capital owned	Country of incorporation & operation
BAE SYSTEMS Land Systems (Investments AVT) Limited	100	Great Britain
BAE SYSTEMS Land Systems (Investments HMC) Limited	100	Great Britain
BAE SYSTEMS Land Systems (Investments AVG) Limited	100	Great Britain

4 Creditors due within one year

	2012 £	2011 £
Amounts owed to subsidiary undertaking	<u>11,895,695</u>	<u>11,895,695</u>

5 Share capital

	2012 £	2011 £
Allotted, called up and fully paid 1 ordinary share of £1 each	<u>1</u>	<u>1</u>

Notes to the financial statements *(continued)*

6 Reserves: Profit and loss account

	£
At 1 January 2012 and 31 December 2012	<u>-</u>

7 Reconciliation of movements in equity shareholder's funds

	2012 £	2011 £
At 1 January 2012 and 31 December 2012	<u>1</u>	<u>1</u>

8 Ultimate parent company and parent undertaking of larger group of which the Company is a member

The immediate parent company is BAE SYSTEMS Land Systems (Finance) Limited, a company incorporated in Great Britain and registered in England and Wales

The ultimate parent company is BAE SYSTEMS plc, a company incorporated in Great Britain and registered in England and Wales. The largest and smallest group in which the results of the Company are consolidated is that headed by BAE SYSTEMS plc. The consolidated accounts of that company are available to the public and may be obtained from the registered office, 6 Carlton Gardens, London SW1Y 5AD.