

Cassidian Holdings Limited

Report and Financial Statements

31 December 2016



Cassidian Holdings Limited

Registered No. 04167356

Directors

C Paynter
J Whitehead
N Ede

Secretary

J Rose

Auditors

Ernst & Young LLP
The Paragon
Counterslip
Bristol
BS1 6BX

Registered Office

Quadrant House
Celtic Springs
Coedkernew
Newport
NP10 8FZ

Directors' report

The directors present their annual report and financial statements for the year ended 31 December 2016.

Principal Activity

Cassidian Holdings Limited's principal activity is to hold an investment in Airbus DS Limited.

Results and dividends

The Company has not traded during the period and has made neither a profit nor loss (2015 – loss for the year £353,081,000). The directors do not recommend the payment of a dividend.

Going concern

The Company participates in the Airbus SE group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiary undertakings. The directors having made appropriate enquiries and reviewed the financial position of the company and its parent undertaking, expect that the company will have continued access to the Airbus SE banking facilities for working capital funding and will be able to continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on the going concern basis.

Directors

The directors as at 31 December 2016 are listed on page 1. All directors have served for the full year.

Directors' qualifying third party indemnity provisions

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Auditors

The company has by elective resolution dispensed with the obligation to appoint auditors annually in accordance with section 386 (1) of the Companies Act 2006. Therefore the auditors, Ernst & Young LLP, will be deemed to be reappointed for each succeeding year.

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:

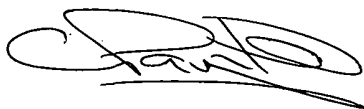
- to the best of each director's knowledge and belief, there is no information relevant to the preparation of their report of which the company's auditors are unaware; and
- each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditors are aware of that information.

Directors' report

Small company status

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to smaller entities.

On behalf of the Board



C Paynter
Director
13th July 2017

Statement of directors' responsibilities in respect of 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 the directors have elected to prepare the financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. 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 the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included in the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CASSIDIAN HOLDINGS LIMITED

Opinion

We have audited the financial statements of Cassidian Holdings Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 7. 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), including FRS 101 "Reduced Disclosure Framework".

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.

Respective responsibilities of directors and auditor

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. 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 directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 101 "Reduced Disclosure Framework"; 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, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' Report.

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 Directors' Report and take advantage of the small companies exemption in not preparing the Strategic report.

Ernst & Young LLP

John Howarth (Senior statutory auditor)

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

Bristol

Date: 4 AUGUST 2017

Statement of Comprehensive Income

for the year ended 31 December 2016

	<i>Notes</i>	<i>2016</i> <i>£000</i>	<i>2015</i> <i>£000</i>
Turnover		-	-
Cost of sales		-	-
Impairment of investment		-	(353,081)
		<hr/>	<hr/>
Loss on ordinary activities before taxation		-	(353,081)
Tax on result on ordinary activities	3	-	-
		<hr/>	<hr/>
Loss for the financial year		-	(353,081)
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income		-	(353,081)
		<hr/> <hr/>	<hr/> <hr/>

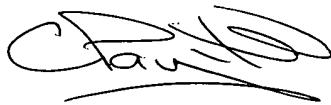
All of the company's activities relate to continuing operations.

Balance sheet

at 31 December 2016

	Notes	2016 £000	2015 £000
Fixed assets			
Investments	4	27,019	27,019
Net assets		<u>27,019</u>	<u>27,019</u>
Capital and reserves			
Called up share capital	5	100	100
Share premium		493,030	493,030
Profit and loss account		(466,111)	(466,111)
Total equity funds		<u>27,019</u>	<u>27,019</u>

Approved by the Board on and signed on its behalf by:



C Paynter
Director
13th July 2017

Statement of changes in equity

at 31 December 2016

	<i>Share capital £000</i>	<i>Share premium £000</i>	<i>Retained earnings £000</i>	<i>Total equity £000</i>
At 1 January 2015	100	113,030	(113,030)	100
Additions	-	380,000	-	380,000
Loss for the year	-	-	(353,081)	(353,081)
At 31 December 2015	100	493,030	(466,111)	27,019
At 31 December 2016	100	493,030	(466,111)	27,019

Notes to the financial statements

at 31 December 2016

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Cassidian Holdings Limited for the year ended 31 December 2016 were authorised for issue by the board of directors on 13th July 2017 and the balance sheet was signed on the board's behalf by Colin Paynter. Cassidian Holdings Limited is incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Airbus SE.

The results of Cassidian Holdings Limited are included in the consolidated financial statements of Airbus SE, which are available from The Secretary, Airbus SE, Mendelweg 30, 2333 CS Leiden, The Netherlands.

The principal accounting policies adopted by the Company are set out in note 2.

2 Significant accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year.

Going concern

The Company participates in the Airbus SE group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiary undertakings. The directors having made appropriate enquiries and reviewed the financial position of the company and its parent undertaking, expect that the company will have continued access to the Airbus SE banking facilities for working capital funding and will be able to continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on the going concern basis.

Investments

Investments in subsidiaries, associates and joint ventures are held at historical cost less any applicable provision for impairment.

Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Notes to the financial statements

at 31 December 2016

2. Significant Accounting policies (continued)

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

3. Tax on loss on ordinary activities

(a) Tax charged in the income statement

	2016 £000	2015 £000
Tax expense in the income statement	-	-

(b) Reconciliation of the total tax charge

The tax expense in the income statement for the year is lower than the standard rate of corporation tax in the UK of 20% (2015: 20.25%). The differences are reconciled below:

	2016 £000	2015 £000
Accounting loss before income tax	-	(353,081)
Tax calculated at UK standard rate of corporation tax in the UK of 20% (2015: 20.25%)	-	(71,499)
Expenses not deductible for tax purposes	-	71,499
Total tax expense reported in the income statement	-	-

Notes to the financial statements

at 31 December 2016

4. Investments

	<i>Subsidiaries</i> £000	<i>Total</i> £000
Cost:		
At 1 January 2016	493,130	493,130
Additions	-	-
At 31 December 2016	493,130	493,130
Amounts provided:		
At 1 January 2016	466,111	466,111
Impairment	-	-
At 31 December 2016	466,111	466,111
Net book value:		
At 31 December 2016	27,019	27,019
At 31 December 2015	27,019	27,019

Details of the investments are as follows:

<i>Subsidiaries</i>			
Airbus DS Limited	Ordinary shares	100%	Secure
Quadrant House			communications
Celtic Springs			solutions
Coedkernew			
Newport			
NP10 8FZ			

Notes to the financial statements

at 31 December 2016

5. Allotted and issued share capital

	2016 No.	2015 No.	2016 £000	2015 £000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £0.01 each	10,000,002	10,000,002	100	100

6. Related party transactions

As the company is a wholly owned subsidiary of Airbus SE it has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with fellow wholly owned subsidiaries.

7. Ultimate parent undertaking and controlling party

At the Balance Sheet date, the company's immediate parent undertaking is Airbus Defence and Space Limited, a company incorporated in England and Wales.

In the directors' opinion, the company's ultimate parent undertaking and controlling party is Airbus SE which is incorporated in the Netherlands. Copies of the group financial statements, which include the company, are available from The Secretary, Airbus SE, Mendelweg 30, 2333 CS Leiden, The Netherlands.