

Rear Crew Training Limited  
Directors' report and financial statements  
Registered number 06931355  
Year ended 31 March 2012

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## Contents

Directors' Report	1
Statement of directors' responsibilities in respect of the Directors' Report and the financial statements	3
Independent auditor's report to the members of Rear Crew Limited Training Limited	4
Profit and Loss Account	6
Balance Sheet	7
Notes	8

## Directors' Report

The directors present their directors' report and financial statements for the year ending 31 March 2012

### Principal activities

The principal activity of the company is the delivery of training on the Rear Crew programme to the Ministry of Defence ("MoD")

### Business review

#### Overview

The Ascent Group is operating a 25 year contract with the MoD to deliver The UK Military Flight Training System ("UKMFTS"). The Ascent Group is headed by Ascent Flight Training (Holdings) Limited which is 50% owned by Babcock Defence and Security Investments Limited and 50% owned by Lockheed Martin UK Holdings Limited

Rear Crew Training Limited's purpose, acting as agent for other Ascent Group companies, is to procure and operate the infrastructure and Ground Based Training Environment ("GBTE") for the training of Royal Navy rear crew personnel at RNAS Culdrose. All trading activity is performed by a fellow subsidiary undertaking, Ascent Flight Training (Management) Limited

Following completion of the required infrastructure in the prior year, student training on the first element of the programme commenced in June 2011 at RAF Barkston Heath. Significant effort, in conjunction with the MoD, was required during the year in obtaining relevant safety clearances for the training aircraft used at RNAS Culdrose. Although this caused some delays to the second phase of training, safety clearances have been received and the second phase of student training commenced in September 2012

#### Proposed dividend

The directors do not recommend the payment of a dividend (2011 £Nil)

### Directors

The directors who held office during the year were as follows

Name	Appointed	Resigned
BJ Craig	6 January 2009	27 October 2011
PM Barrett	20 December 2010	27 October 2011
JL Weitzel	26 March 2009	
F Martinelli	9 July 2010	
KR Thomas	20 December 2010	25 April 2012
JC McCarthy	9 December 2010	
RD Abbott	27 October 2011	
EA Narey	27 October 2011	
JR Davies	25 April 2012	

### Employees

The Company has no employees (2011 Nil). All employees of the Ascent Group are employed by Ascent Flight Training (Management) Ltd, a fellow subsidiary undertaking

### Political and charitable contributions

The Company made no political or charitable donations or incurred any political expenditure during the year (2011 £Nil)

### Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information

## **Directors' report** *(continued)*

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will thereafter continue in office

By order of the board



**F Martinelli**

*Director*

33 Wigmore Street  
London  
W1U 1QX

7 December 2012

## **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.



## **Independent auditor's report to the members of Rear Crew Limited Training Limited**

We have audited the financial statements of Rear Crew Training Limited for the year ended 31 March 2012 set out on pages 6 to 9. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 3, 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

### **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 March 2012 and of its result for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, 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 the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent auditor's report to the members of Rear Crew Training Limited**  
*(continued)*

**Matters on which we are required to report by exception**

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



**AC Campbell-Orde (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
100 Temple Street  
Bristol  
BS1 6AG  
United Kingdom

7 December 2012

**Profit and Loss Account**  
*For the year ended 31 March 2012*

The company did not trade during the current or prior period. There are no recognised gains and losses for the year other than those recorded in the profit and loss account.



**Balance Sheet**  
*As at 31 March 2012*

	<i>Note</i>	<b>2012</b> <b>£000</b>	<b>2011</b> <b>£000</b>
<b>Current assets</b>			
Cash at bank and in hand		<u>1</u>	<u>1</u>
<b>Net Assets</b>		<u>1</u>	<u>1</u>
<b>Capital and reserves</b>			
Called up share capital	5	1	1
Profit and loss account	6	<u>-</u>	<u>-</u>
<b>Shareholders' Funds</b>	6	<u>1</u>	<u>1</u>

These financial statements were approved by the board of directors on 7 December 2012 and were signed on its behalf by



**F Martinelli**  
*Director*

## Notes

*(forming part of 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 financial statements, except as noted below

#### ***Basis of preparation***

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

Under FRS1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that the parent undertaking includes the Company in its own consolidated financial statement

As the Company is a wholly owned subsidiary of Rear Crew Training Holdings Limited which is a wholly owned subsidiary of Ascent Flight Training (Holdings) Limited, the Company has taken advantage of the exemption contained in FRS8 and therefore has not disclosed transactions or balances with wholly owned subsidiaries which form part of the group. The consolidated financial statements of Ascent Flight Training (Holdings) Limited, within which this Company is included, can be obtained from the address given in note 7

### 2 Notes to the profit and loss account

Amounts receivable by the auditor in respect of their audit of these financial statements were £1,000 (2011 £1,000). These were borne by Ascent Flight Training (Management) Limited, a fellow subsidiary undertaking in both periods

### 3 Remuneration of directors

Directors' emoluments for the year amounted to £Nil (2011 £Nil)

### 4 Staff numbers and costs

The company had no employees in the year (2011 None)

### 5 Called up share capital

	Year ended 31 March 2012 £000	Year ended 31 March 2011 £000
<b><i>Authorised</i></b>		
1,000 ordinary shares of £1 each	<u>1</u>	<u>1</u>
<b><i>Allotted, called up and fully paid</i></b>		
1,000 ordinary shares of £1 each	<u>1</u>	<u>1</u>

## Notes (continued)

### 6 Reconciliation of movement in shareholders' funds

	Share capital £000	Profit and loss account £000
At beginning of year	1	-
Result for the year	-	-
At end of year	<u>1</u>	<u>-</u>

### 7 Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company is a subsidiary undertaking of Rear Crew Training Holdings Limited which is the immediate parent company incorporated in England and Wales, which in turn is owned by Ascent Flight Training (Holdings) Limited. Ascent Flight Training (Holdings) Limited is jointly owned by Lockheed Martin UK Holdings Ltd, a Company registered in England and Wales, and Babcock Defence and Security Investments Ltd, a Company registered in England and Wales.

The largest group in which the results of the Company are consolidated is that headed by Ascent Flight Training (Holdings) Limited.

The smallest group in which the results are consolidated is that headed by Rear Crew Training Holdings Limited.

Copies of Ascent Flight Training (Holdings) Limited consolidated financial statements can be obtained from the Company Secretary at 33 Wigmore Street, London, W1U 1QX.