

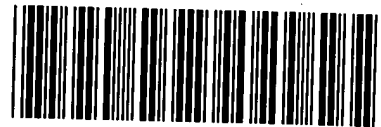
Company registration number: 08493316

BOND MISSION CRITICAL SERVICES PLC

Annual Report and Financial Statements

For the year ended 31 March 2016

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BOND MISSION CRITICAL SERVICES PLC

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BOND MISSION CRITICAL SERVICES PLC

Directors and advisors

Current directors

A Cicero

L Inigo Moreno Ventas

Company secretary

Babcock Corporate Secretaries Limited

Registered office

33 Wigmore Street

London

W1U 1QX

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

2 Glass Wharf

Bristol

BS2 0FR

BOND MISSION CRITICAL SERVICES PLC

Strategic report for the year ended 31 March 2016

The directors present their Strategic report on the Company for the year ended 31 March 2016.

Principal activities

The principal activity of the Company is to act as holding company and to provide financial support for the operating companies of the wider Babcock Mission Critical Services Group (formerly Bond Aviation Group).

Review of the business

The Company is non-trading and performance for the year was in line with expectations. The Company generated a profit on ordinary activities before taxation for the current year (£3,074,000) compared to a loss on ordinary activities before taxation in the prior period (£704,000). This is partly as a result of the shorter reporting period. Reduced finance costs have resulted in a profit for the current year even after incurring a loss on foreign exchange translations. Foreign exchange losses for the current financial year relate to the translation of an amount payable to a group undertaking that is denominated in Swedish krona. The majority of the amounts receivable from group undertakings are denominated in sterling which limits the Company's exposure to currency risk.

The financial position of the Company is shown in the statement of financial position on page 11. The Company remains in a strong financial position with Net Assets of £148,432,000 (2015: £145,358,000).

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks and uncertainties. These are managed through the operational review process supplemented at Group level by independent challenge and review by the Group Risk Manager and the Audit and Risk Committee.

The key risks and uncertainties affecting the Company are considered to be related to currency, liquidity and interest rate risk. The Company's activities are mainly in sterling and funded via intercompany loans and so the Company has limited exposure to currency and interest rate risk. No transactions of a speculative nature are undertaken. The directors manage this risk by meeting on a regular basis to discuss these risks.

Further discussion of these risks and uncertainties, in the context of the Group as a whole, is provided on pages 64 to 74 of the annual report of Babcock International Group PLC, which does not form part of this report.

Future developments

In preparing the financial statements, the directors have considered the proposed future reorganisation of the Group and have decided that the Company will cease trading and be wound up during the next financial year.

Accordingly, the going concern basis of preparation is not appropriate and the financial statements have been prepared on a basis other than going concern as described in note 2 to the financial statements. Adjustments have been made in these financial statements to reclassify fixed assets and long-term liabilities as current assets and liabilities, including the comparative period.

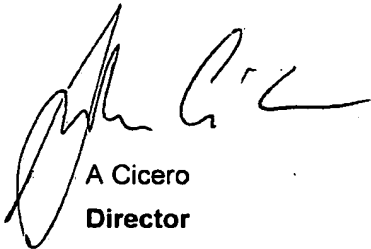
BOND MISSION CRITICAL SERVICES PLC

Strategic report for the year ended 31 March 2016 *(continued)*

Key performance indicators

The Company's activities are managed on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the Company. The growth and performance of International, a division of Babcock International Group PLC, which includes the Company, is discussed on pages 28 to 35 & 50 to 55 of the Group's report, which does not form part of this report.

On behalf of the Board



A Cicero
Director

7 September 2016

BOND MISSION CRITICAL SERVICES PLC

Directors' report for the year ended 31 March 2016

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2016.

Dividends

No final dividend for the year ended 31 March 2016 has been provided by the directors (15 months to 2015: £nil).

Review of the business and future developments

Information on the review of the Company's business during the year, together with information on the Company's risks and uncertainties and future developments, can be found in the Strategic Report.

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of changes in liquidity risk, currency risk and interest rate risk. The Company has in place a risk management programme that seeks to limit adverse effects on the financial performance of the Company by monitoring levels of debt finance and the related finance costs.

Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors of Babcock International Group PLC are implemented by the Group and Company's finance departments. The department has a policy and procedures manual that sets out specific guidelines to allow it to manage interest rate risk, credit risk and circumstances where it would be appropriate to use financial instruments to manage these. Financial risk is managed in accordance with Group policies and procedures which are discussed on pages 32 to 34 and Note 2 of the annual report of Babcock International Group PLC, which does not form part of this report.

Liquidity risk

The Company has access to longer term funding from its ultimate parent undertaking if required.

Currency risk

The Company has liabilities denominated in foreign currency. The Company does not use derivative financial instruments to manage foreign currency fluctuations and, as such, no hedge accounting is applied.

Interest rate cash flow risk

The Company has interest-bearing assets. The interest-bearing assets earn interest at a fixed rate. The Company does not use derivative financial instruments to manage interest rate income and, as such, no hedge accounting is applied.

Directors

The directors who held office during the year and up to the date of signing the annual report were as follows:

A Cicero

L Inigo Moreno Ventas

R Mintern

(Resigned 18 May 2015)

BOND MISSION CRITICAL SERVICES PLC

Directors' report for the year ended 31 March 2016 (*continued*)

Safety policy

The Company recognises the promotion of health and safety at work as an important objective. It is Company policy to take steps to ensure, as far as reasonably practical, the health, safety and welfare of the employees of the Company.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, 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 prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). 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;
- state whether applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the Company's shareholders in writing about the use of the disclosure exemptions, if any, of FRS 101 used in the preparation of these 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 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.

Qualifying third party indemnity provisions

Babcock International Group PLC provides protections for directors of companies within the Group against personal financial exposure they may incur in their capacity as such. These include qualifying third party indemnity provisions (as defined by Companies Act 2006) for the benefit of members of Babcock International Group PLC, including, where applicable, in their capacity as a director of the Company and other companies within the Group. These indemnities came into force in 2014 and remain in force. These indemnities are in force at the date these financial statements are signed.

BOND MISSION CRITICAL SERVICES PLC

Directors' report for the year ended 31 March 2016 (*continued*)

Going concern

In preparing the financial statements, the directors have considered the proposed future reorganisation of the Group and have decided that the company will cease trading and be wound up during the next financial year.

Accordingly, the going concern basis of preparation is not appropriate and the financial statements have been prepared on a basis other than going concern as described in note 2 to the financial statements. Adjustments have been made in these financial statements to reclassify fixed assets and long-term liabilities as current assets and liabilities, including the comparative period.


Disclosure of information to auditors

Each director, as at the date of this report, has confirmed that in so far as they are aware there is no relevant audit information of which the Company's auditors are unaware, and they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of this information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed in the Annual General Meeting.

On behalf of the Board



A Cicero
Director

7 September 2016

BOND MISSION CRITICAL SERVICES PLC

Independent auditors' report to the members of Bond Mission Critical Services PLC

Report on the financial statements

Our opinion

In our opinion, Bond Mission Critical Services PLC's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2016 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.

Emphasis of matter paragraph – basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the basis of preparation. The Directors have decided that the company will cease trading and be wound up in the next financial year. Accordingly, the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 2 to the financial statements. Adjustments have been made in these financial statements to reclassify fixed assets and long-term liabilities as current assets and liabilities, including the comparative period.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 March 2016;
- the Income Statement and Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BOND MISSION CRITICAL SERVICES PLC

Independent auditors' report to the members of Bond Mission Critical Services PLC *(continued)*

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

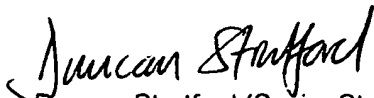
BOND MISSION CRITICAL SERVICES PLC

Independent auditors' report to the members of Bond Mission Critical Services PLC (continued)

What an audit of financial statements involves (continued)

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual 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.



Duncan Stratford (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
7 September 2016

BOND MISSION CRITICAL SERVICES PLC

Income statement

for the year ended 31 March 2016

	Note	Year ended 31 March 2016 £000	15 months to 31 March 2015 £000
Administrative (expenses) /income		(1,590)	1,066
(Loss)/Profit on ordinary activities before interest and taxation	4	(1,590)	1,066
Finance income	5	4,664	27,778
Finance costs	5	-	(29,548)
Profit/(Loss) on ordinary activities before taxation		3,074	(704)
Tax on profit/(loss) on ordinary activities	7	-	-
Profit/(Loss) for the financial year/period		3,074	(704)

All of the above results derive from continuing operations.

Statement of Comprehensive Income

for the year ended 31 March 2016

	Year ended 31 March 2016 £000	15 months to 31 March 2015 £000
Profit/(Loss) for the financial year/period	3,074	(704)
Total comprehensive income/(loss) for the financial year / period	3,074	(704)

BOND MISSION CRITICAL SERVICES PLC

Statement of Financial Position as at 31 March 2016

	Note	2016 £000	2015 £000
Current assets			
Investments	8	177,043	177,043
Trade and other receivables (including receivables falling due after more than one year £nil (2015: £333,922,000))	9	94,749	333,922
		94,749	333,922
Trade and other payables – amounts falling due within one year	10	(123,360)	(365,607)
Net current liabilities		(28,611)	(31,685)
 Total assets less current liabilities		 148,432	 145,358
 Net assets		 148,432	 145,358
 Capital and reserves			
Called up share capital	11	140,037	140,037
Retained earnings		8,395	5,321
Total shareholders' funds		148,432	145,358

The notes on pages 13 to 22 are an integral part of these financial statements.

The financial statements on pages 10 - 22 were approved by the Board of Directors on 7 September 2016 and signed on its behalf by:



A Cicero
Director
7 September 2016

BOND MISSION CRITICAL SERVICES PLC

Statement of changes in equity for the year ended 31 March 2016

	Called up share capital	Retained earnings	Total Shareholders' funds
	£000	£000	£000
Balance at 1 January 2014	140,037	6,025	146,062
Loss for the financial period	-	(704)	(704)
Total comprehensive loss for the financial period	-	(704)	(704)
Balance at 31 March 2015	140,037	5,321	145,358
Profit for the financial year	-	3,074	3,074
Total comprehensive income for the financial year	-	3,074	3,074
Balance at 31 March 2016	140,037	8,395	148,432

BOND MISSION CRITICAL SERVICES PLC

Notes to the financial statements For the year ended 31 March 2016

1 General information

Bond Mission Critical Services PLC is a private company which is incorporated and domiciled in the UK. The address of the registered office is 33 Wigmore Street, London W1U 1QX.

2 Summary of significant accounting policies

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented. The Company has adopted FRS 101 in these financial statements. Details of the transition to FRS 101 are disclosed in note 16.

Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). These financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the Company and rounded to the nearest £'000.

The directors have considered the proposed future reorganisation of the Group and have decided that the Company will cease trading and be wound up during the next financial year. Accordingly, the going concern basis of preparation is not appropriate and the financial statements have been prepared on a basis other than going concern. Adjustments have been made in these financial statements to reclassify fixed assets and long-term liabilities as current assets and liabilities, including the comparative period.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The Company is a wholly owned subsidiary of Babcock Mission Critical Services UK Limited (formerly Bond Aviation Group Limited) and of its ultimate parent, Babcock International Group PLC. It is included in the consolidated financial statements of Babcock International Group PLC which are publicly available. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- a) Paragraphs 91 to 99 of IFRS 13 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- b) Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information in respect of:
 - paragraph 79(a) (iv) of IAS 1 Share capital and reserves;
 - paragraph 73(e) of IAS 16 Property, plant and equipment; and
 - paragraph 118(e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the period)

BOND MISSION CRITICAL SERVICES PLC

Notes to the financial statements *(continued)*

For the year ended 31 March 2016

2 Summary of significant accounting policies *(continued)*

Basis of preparation *(continued)*

- c) The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), 10(f), 16, 38, 40, 111, and 134-136
- d) IAS 7, 'Statement of cash flows'
- e) Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors'
- f) Paragraph 17 of IAS 24, 'Related party transactions' in respect of key management compensation
- g) The requirements of IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

New standards, amendments and IFRIC interpretations

No new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 March 2016, have had a material impact on the company.

Taxation

(a) Current income tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the statement of financial position date.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Tax is recognised in the income statement except to the extent that it relates to items recognised directly in either other comprehensive income or in equity.

BOND MISSION CRITICAL SERVICES PLC

Notes to the financial statements *(continued)*

For the year ended 31 March 2016

2 Summary of significant accounting policies *(continued)*

Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the local currency at the year end exchange rates.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at exchange rates ruling at the statement of financial position date of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Finance income

Finance income comprises interest income on funds invested and are recognised in the income statement. Interest income is recognised as it accrues in the income statement, using the effective interest rate method.

Investments

The investment in subsidiary undertakings in the Company's statement of financial position are stated at cost less provision for impairment.

The directors perform an annual impairment assessment and where potential exposure is identified a full impairment review is undertaken. To assess the carrying value of the investments the directors have considered the underlying net assets and future earnings where appropriate. Any impairment recognised is taken to the income statement.

Trade receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method. A provision for bad debt is established when there is objective evidence that the collection of the debt is no longer probable.

Trade payables

Trade payables are measured initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

BOND MISSION CRITICAL SERVICES PLC

Notes to the financial statements (continued)

For the year ended 31 March 2016

2 Summary of significant accounting policies (continued)

3 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for income and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment assessment of investments

See note 8 for the carrying value of investments and note 2 'Investments' for information on how the impairment of investments is assessed.

4 (Loss)/Profit on ordinary activities before interest and taxation

(Loss)/Profit on ordinary activities before interest and taxation is stated after charging / (crediting):

	Year ended 31 March 2016 £000	15 Months to 31 March 2015 £000
Foreign exchange loss/(gains)	1,590	(1,899)
Audit fees payable to the Company's auditors	-	5

The auditors' remuneration in respect of fees payable for the statutory audit of the financial statements totalling £1,488 was borne by another group undertaking and not recharged to the Company during the year ended 31 March 2016.

Fees paid to the Company's auditors, PricewaterhouseCoopers LLP, and its associates, for services other than statutory audit of the Company, are disclosed on a consolidated basis in the group financial statements of the ultimate parent undertaking, Babcock International Group PLC. The group financial statements are required to comply with the statutory disclosure requirements.

BOND MISSION CRITICAL SERVICES PLC

Notes to the financial statements *(continued)* For the year ended 31 March 2016

5 Finance income and finance costs

	Year ended 31 March 2016 £000	15 Months to 31 March 2015 £000
Finance income:		
Loan interest receivable from group undertakings	<u>4,664</u>	<u>27,778</u>

	Year ended 31 March 2016 £000	15 Months to 31 March 2015 £000
Finance costs:		
Interest payable on loan notes	-	6,724
Loan financing and break fees	-	13,581
Loan interest payable to group undertakings	<u>-</u>	<u>9,243</u>
	<u>-</u>	<u>29,548</u>

6 Staff costs

The Company had no employees during the current year or prior financial period. The directors are remunerated by other companies within the Group for their services to the Group as a whole and it is not practicable to allocate their remuneration between individual entities.

BOND MISSION CRITICAL SERVICES PLC

Notes to the financial statements *(continued)*

For the year ended 31 March 2016

7 Tax on profit / (loss) on ordinary activities

Tax expense included in income statement

	Year ended 31 March 2016 £000	15 Months to 31 March 2015 £000
Current tax:		
Current tax charge for the year / period	-	-
Total deferred tax charge	-	-
Tax on profit/ (loss) on ordinary activities	-	-

Tax expense for the year is lower (2015: higher) than the standard effective rate of corporation tax in the UK for the year ended 31 March 2016 of 20% (15 months to 2015: 21.4%). The differences are explained below:

	Year ended 31 March 2016 £000	15 Months to 31 March 2015 £000
Profit/(Loss) on ordinary activities before taxation	3,074	(704)
Profit/(Loss) on ordinary activities multiplied by standard UK corporation tax rate of 20% (2015: 21.4%)	615	(151)
Effects of:		
Group relief surrendered (from)/to group companies	(615)	151
Tax charge for the year / period	-	-

In the 2015 Budget, it was announced that the UK corporation tax rate will reduce from 20% to 19% from April 2017. It was further announced in the 2016 Budget that it will be further reduced to 18% from April 2020. As a result of this change, UK deferred tax balances have been re-measured at 18% as this is the tax rate that will apply on reversal.

BOND MISSION CRITICAL SERVICES PLC

Notes to the financial statements *(continued)* For the year ended 31 March 2016

8 Investments

Cost	2016		2015	
	Shares in group undertakings £000	Total £000	Shares in group undertakings £000	Total £000
Opening balance	177,043	177,043	53,388	53,388
Additions	-	-	229,318	229,318
Disposals	-	-	(105,663)	(105,663)
Carrying amount at 31 March	177,043	177,043	177,043	177,043

The directors believe that the carrying value of the investments is supported by their underlying net assets. See note 13 for details of investments held in group undertakings.

9 Trade and other receivables

	2016 £000	2015 £000
Amounts falling due within one year:		
Amounts owed by group undertakings	94,749	-
Amounts falling due after more than one year:	2016 £000	2015 £000
Amounts owed by group undertakings	-	333,922

Amounts owed by group undertakings, due within one year, of £5,000 (2015: £nil) are interest free and repayable on demand.

Amounts owed by group undertakings, due within one year, and repayable on demand, of £94,744,000 (2015: £nil) and amounts owed by group undertakings, due after one year, and have no fixed repayment terms, £nil (2015: £333,922) bear interest at 4.25% (2015: 6.75%) per annum.

10 Trade and other payables – amounts falling due within one year

	2016 £000	2015 £000
Amounts owed to group undertakings	123,360	365,607

Amounts owed to group undertakings, due within one year, of £123,360,000 (2015: £365,607) are interest free (2015: bear interest at Libor +4% per annum), unsecured and repayable on demand.

BOND MISSION CRITICAL SERVICES PLC

Notes to the financial statements *(continued)*

For the year ended 31 March 2016

10 Trade and other payables *(continued)*

The Company has access to the Babcock International Group PLC overdraft facility. The Company along with fellow group undertakings has provided cross-guarantees in relation to this facility (note 14).

11 Called up share capital

	2016 £000	2015 £000
Allotted and fully paid		
140,036,750 ordinary shares of £1 each (2015: 140,036,750)	140,037	140,037

All shares rank equally in all respects.

12 Related party disclosures

The Company has taken advantage of the exemptions within FRS 101 not to disclose transactions and balances with Babcock International Group PLC and its wholly owned subsidiaries, on the grounds that the Company itself is a wholly owned subsidiary of Babcock International Group PLC, for which the consolidated financial statements are publicly available.

13 Subsidiary undertakings

All related undertakings for the Company are as listed below:

Company Name	Country	Description of shares	% Holding
Babcock Mission Critical Services, Scandinavia AB*	Sweden	61,061 Ordinary-A shares	98%
Scandinavian Air Ambulance Holding AB	Sweden	72,143 Ordinary shares	98%
Falck Air Ambulance A/S	Denmark	3,000,000 Ordinary shares	50%
S.O.S Helikoptern Gotland AB	Sweden	1,000 Ordinary shares	98%
Scandinavian Air Ambulance AB	Sweden	4,650 Ordinary shares	98%
Scandinavian Air Ambulance Norge A/S	Norway	100,000 Ordinary shares	98%
Scandinavian MediCopter AB	Sweden	1,000 Ordinary shares	98%
Svensk Flygambulans AB	Sweden	200 Ordinary shares	98%
Bond Aviation Holdings Limited *	United Kingdom	53,388,053 Ordinary shares	100%
Bond Aviation Holdings II Limited	United Kingdom	38,388,053 Ordinary shares	100%
Babcock Mission Critical Services Design and Completions Limited <i>(formerly, Bond Helicopters Europe Limited)</i>	United Kingdom	1,560,100 Ordinary shares	100%
Babcock Mission Critical Services (Ireland) Limited <i>(formerly, Bond Air Services (Ireland) Limited)</i>	Ireland	100,000 Ordinary shares	100%

BOND MISSION CRITICAL SERVICES PLC

Notes to the financial statements *(continued)* For the year ended 31 March 2016

13 Subsidiary undertakings *(continued)*

Company Name	Country	Description of shares	% Holding
Babcock Mission Critical Services Leasing Limited <i>(formerly, International Aviation Leasing Limited)</i>	United Kingdom	50,100 Ordinary shares	100%
Babcock Malta (Number Two) Limited	Jersey	3,002 Ordinary shares	100%
Babcock Mission Critical Services Offshore Limited <i>(formerly, Bond Offshore Helicopters Limited)</i>	United Kingdom	52,632 Ordinary shares	100%
Babcock Mission Critical Services Onshore Limited <i>(formerly, Bond Air Services Limited)</i>	United Kingdom	1,666,666 Ordinary shares	100%
Bond Aviation Leasing Limited	United Kingdom	1 Ordinary share	100%
Bond European Aviation Leasing Limited	United Kingdom	100 Ordinary shares	100%

*Direct holding

14 Guarantees and financial commitments

Contingent liabilities

At the 31 March 2016 the company had guaranteed or had joint and several liability for drawn Babcock International Group PLC bank facilities of £nil (2015: £nil) provided to certain group companies. In addition, the Company had joint and several liabilities for the drawn bank overdraft facilities of other group companies of £nil (2015: £15,000,000).

No securities have been provided by the Company in relation to these contingent liabilities. There is no current expectation that these contingent liabilities will crystallise.

15 Ultimate parent undertaking

The Company's immediate parent company is Babcock Mission Critical Services UK Limited (formerly Bond Aviation Group Limited), a limited liability company registered in England and Wales. The Company's ultimate parent undertaking and controlling party is Babcock International Group PLC, a company registered in England and Wales. The only Group in which the results of the Company are consolidated is that headed by Babcock International Group PLC.

Copies of Babcock International Group PLC Financial Statements are available from the following address:

The Company Secretary
Babcock International Group PLC
33 Wigmore Street
London
W1U 1QX

BOND MISSION CRITICAL SERVICES PLC

Notes to the financial statements *(continued)*

For the year ended 31 March 2016

16 Transition to FRS 101

This is the first year that the Company has presented its results under FRS 101. The last financial statements under the UK GAAP were for the period ended 31st March 2015. The date of transition to FRS 101 was 1 January 2014.

On transition to FRS 101, the Company has applied the requirements of paragraphs 6-33 of IFRS 1, 'First time adoption of International Financial Reporting Standards'. This has no effect on the company's equity or loss for the financial period, as such, there are no restatements or adjustments required to the prior 15 month period ending 31 March 2015.