

SAAB TECHNOLOGIES UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



SAAB TECHNOLOGIES UK LIMITED

COMPANY INFORMATION

DIRECTORS	Hans Magnus Lewis-Olsson (resigned 22 March 2022) Jon Robertson Robin Wild Simon Read Andrew Walton Linda Taylor (appointed 4 March 2021) Dean Rosenfield (appointed 1 April 2022)
COMPANY SECRETARY	Norose Company Secretarial Services Limited
REGISTERED NUMBER	01724399
REGISTERED OFFICE	St Mary's House Netherhampton Salisbury SP2 8PU
INDEPENDENT AUDITORS	Fawcetts LLP Windover House St Ann Street Salisbury SP1 2DR

SAAB TECHNOLOGIES UK LIMITED

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SAAB TECHNOLOGIES UK LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

INTRODUCTION

The primary mission of the company is to provide services to select units of the Sweden based Saab group. A selection of services provided during 2021 include, but are not limited to:

- Provide integrated logistics support and operational support of Saab products and operations in the UK.
- Marketing and sales, including marketing management and marketing communications.

The secondary mission of the company is to provide some of these services directly to customers in the United Kingdom, including branches of the Ministry of Defence. This is carried out primarily in the area of integrated logistics support and operational support.

BUSINESS REVIEW

Corporate organisational changes introduced on January 1st 2020, saw Market Area Europe disbanded and centralised into the Group Marketing and Sales organisation led from Saab headquarters in Stockholm. However the UK, together with the US and Australia, as strategic country markets, were selected to grow more independently with the objective of growing operations, generate Intellectual Property, export and increase market share. For Saab Technologies UK Ltd, this has meant increased investment and consolidation of Saab operations in the UK.

PRINCIPAL RISKS AND UNCERTAINTIES

The two largest customers for the company are Saab AB and the UK MoD. This provides the company stability and balance in the opinion of the directors. The relations with the UK MoD continue to develop and improve, and an increase of marketing and sales services to Saab AB can be expected due to the continued build-up and development of the Market Area organisation. Within integrated logistics support and operational support, contracts are large and there is a certain risk pertaining to the scaling up and down of various projects.

The company mitigates this risk by using sub-contractors and service-providers to increase workforce flexibility and reduce both overhead and fixed costs.

Any risks associated with only having two core customers are managed by diversifying the portfolio of products and services rendered towards the two customers, as well as the in scope, complexity and delivery. Moreover, Saab Technologies UK Ltd is focused on growing its Civil Security business giving it a wider customer base and further mitigating customer risk.

The directors have considered the risks and uncertainties associated with the United Kingdom leaving the EU and currently consider this to have but minor consequences on Saab Technologies UK Ltd ongoing business and operations.

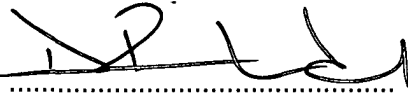
FINANCIAL KEY PERFORMANCE INDICATORS

2021 saw revenue increase significantly compared to 2020, and as a result our profit increased. This was mainly a result of an increased head count and return to the same level of activity after the pandemic. This trend will continue in the coming years as we establish and grow operations in the UK.

SAAB TECHNOLOGIES UK LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

This report was approved by the board on 7 June 2022 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'D. Rosenfield', written over a dotted line.

Dean Rosenfield
Director

SAAB TECHNOLOGIES UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

DIRECTORS' RESPONSIBILITIES STATEMENT

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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting 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;
- 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 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.

PRINCIPAL ACTIVITY

The primary mission of the company is to provide services to select parts of the Sweden based Saab Group. A selection of services provided during 2021 include, but are not limited to:

- Provide integrated logistics support and operational support of Saab products and operations in the UK.
- Marketing and sales, including marketing management and marketing communications.

The secondary mission of the company is to provide some of these services directly to customers in the United Kingdom, including branches of the Ministry of Defence. This is carried out primarily in the area of integrated logistics support and operational support.

SAAB TECHNOLOGIES UK LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £677,896 (2020 - £545,241).

Dividends were paid in the year of £Nil (2020 £Nil). No further dividends will be proposed in this year.

The directors who served during the year were:

Hans Magnus Lewis-Olsson (resigned 22 March 2022)
Jon Robertson
Robin Wild
Simon Read
Andrew Walton
Linda Taylor (appointed 4 March 2021)

FUTURE DEVELOPMENTS

Following a new corporate structure and strategy, Saab Technologies UK Limited will start to develop and manufacture locally on behalf of the parent company. Over time responsibilities and intellectual property will be shifted from other parts of the parent company to Saab Technologies UK Limited. This will result in a larger UK footprint, which we will be able to leverage locally and also globally.

DISCLOSURE OF INFORMATION TO AUDITORS

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 auditors are 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 auditors are aware of that information.

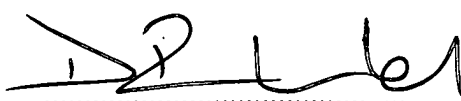
POST BALANCE SHEET EVENTS

There have been no significant events affecting the Company since the year end.

AUDITORS

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

This report was approved by the board on 7 June 2022 and signed on its behalf.



Dean Rosenfield
Director

SAAB TECHNOLOGIES UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAAB TECHNOLOGIES UK LIMITED

OPINION

We have audited the financial statements of Saab Technologies UK Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of Comprehensive Income, the Balance Sheet, Statement of Changes in Equity and the 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

SAAB TECHNOLOGIES UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAAB TECHNOLOGIES UK LIMITED (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Report of the Auditors thereon. The directors are responsible for the other information contained within the Annual Report. 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.

OPINION ON OTHER MATTERS 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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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 Strategic report or 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.

RESPONSIBILITIES OF DIRECTORS

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, 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.

SAAB TECHNOLOGIES UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAAB TECHNOLOGIES UK LIMITED (CONTINUED)

AUDITORS' 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 Report of the Auditors 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.

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:

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Report of the Auditors to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Report of the Auditors. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

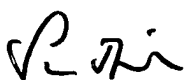
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SAAB TECHNOLOGIES UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SAAB TECHNOLOGIES UK LIMITED
(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 Report of the Auditors 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.



Simon Ellingham BA, FCA, DChA (Senior statutory auditor)

for and on behalf of

Fawcetts LLP

Windover House

St Ann Street

Salisbury

SP1 2DR

Date: 25th Nov

SAAB TECHNOLOGIES UK LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Turnover	3	13,383,222	9,302,485
Cost of sales		(536,419)	(81,681)
Gross profit		12,846,803	9,220,804
Administrative expenses		(12,005,618)	(8,626,652)
Other operating income	4	3,877	175
Operating profit	5	845,062	594,327
Interest receivable and similar income	9	11	9,192
Interest payable and similar expenses	10	-	(241)
Profit before tax		845,073	603,278
Tax on profit	11	(167,177)	(58,037)
Profit for the financial year		677,896	545,241
Other comprehensive income for the year			
Total comprehensive income for the year		677,896	545,241

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.


The notes on pages 12 to 22 form part of these financial statements.

SAAB TECHNOLOGIES UK LIMITED
REGISTERED NUMBER: 01724399

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	833,890	826,169
		<u>833,890</u>	<u>826,169</u>
Current assets			
Debtors: amounts falling due within one year	13	3,026,646	1,542,412
Cash at bank and in hand	14	4,234,241	4,835,080
		<u>7,260,887</u>	<u>6,377,492</u>
Creditors: amounts falling due within one year	15	(1,002,915)	(789,695)
Net current assets		<u>6,257,972</u>	<u>5,587,797</u>
Total assets less current liabilities		<u>7,091,862</u>	<u>6,413,966</u>
Net assets		<u><u>7,091,862</u></u>	<u><u>6,413,966</u></u>
Capital and reserves			
Called up share capital	17	100,000	100,000
Profit and loss account		6,991,862	6,313,966
		<u><u>7,091,862</u></u>	<u><u>6,413,966</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
7 June 2022


Dean Rosenfield
Director

SAAB TECHNOLOGIES UK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	100,000	6,313,966	6,413,966
Comprehensive income for the year			
Profit for the year	-	677,896	677,896
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	677,896	677,896
Total transactions with owners	-	-	-
At 31 December 2021	100,000	6,991,862	7,091,862

The notes on pages 12 to 22 form part of these financial statements.

**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	100,000	5,768,725	5,868,725
Comprehensive income for the year			
Profit for the year	-	545,241	545,241
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	545,241	545,241
Total transactions with owners	-	-	-
At 31 December 2020	100,000	6,313,966	6,413,966

The notes on pages 12 to 22 form part of these financial statements.

SAAB TECHNOLOGIES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. GENERAL INFORMATION

The company is a private company, incorporated in England & Wales under Company Number 01724399. The company's Registered Office is St Mary's House, Netherhampton, Salisbury, SP2 8PU. The company's principal trading address is 2nd Floor, Kinnaird House, 1 Pall Mall East, SW1 5AU.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom 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 judgment in applying the company's accounting policies.

2.2 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.3 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

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 INTEREST INCOME

Interest income is recognised in profit or loss using the effective interest method.

2.6 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.

2.7 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 Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 TAXATION

Tax is recognised in profit or loss 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 balance sheet 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 balance sheet 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 balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.9 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.

The estimated useful lives range as follows:

Plant and machinery	- 5 years
Motor vehicles	- 4 years
Fixtures and fittings	- 3 - 5 years and length of outstanding lease

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.

2.10 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.

2.11 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.

2.12 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.

2.13 HOLIDAY PAY ACCRUAL

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2.14 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.

SAAB TECHNOLOGIES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.14 FINANCIAL INSTRUMENTS (continued)

3. TURNOVER

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Integrated logistics support and operational support of product	3,549,294	2,469,081
Marketing and sales including marketing management and communications	6,782,156	4,650,564
Public safety services	3,051,772	2,182,840
	<u>13,383,222</u>	<u>9,302,485</u>

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	13,315,438	9,206,062
Rest of the world	67,784	96,423
	<u>13,383,222</u>	<u>9,302,485</u>

4. OTHER OPERATING INCOME

	2021 £	2020 £
Sundry income	3,877	175
	<u>3,877</u>	<u>175</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2021 £	2020 £
Exchange differences	3,719	1,704
Other operating lease rentals	747,528	678,511
	<u>747,528</u>	<u>678,511</u>

SAAB TECHNOLOGIES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>7,200</u>	<u>7,100</u>

7. EMPLOYEES

Staff costs, including directors' remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	6,348,183	4,849,009
Social security costs	710,967	531,039
Cost of defined contribution scheme	526,101	449,116
	<u>7,585,251</u>	<u>5,829,164</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Employees	<u>89</u>	<u>76</u>

8. DIRECTORS' REMUNERATION

	2021 £	2020 £
Directors' emoluments	893,572	702,253
Company contributions to defined contribution pension schemes	31,370	25,306
	<u>924,942</u>	<u>727,559</u>

During the year retirement benefits were accruing to 4 directors (2020 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £384,172 (2020 - £293,502).

SAAB TECHNOLOGIES UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. INTEREST RECEIVABLE

	2021	2020
	£	£
Other interest receivable	11	9,192
	<u>11</u>	<u>9,192</u>

10. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Finance leases and hire purchase contracts	-	241
	<u>-</u>	<u>241</u>

11. TAXATION

	2021	2020
	£	£
Corporation tax		
Current tax on profits for the year	167,177	103,894
Adjustments in respect of previous periods	-	(45,857)
	<u>167,177</u>	<u>58,037</u>
Total current tax	<u>167,177</u>	<u>58,037</u>

SAAB TECHNOLOGIES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11. TAXATION (CONTINUED)

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is the same as (2020 - the same as) the standard rate of corporation tax in the UK of 19% (2020 - 19%) as set out below:

	2021 £	2020 £
Profit on ordinary activities before tax	845,073	603,278
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	160,564	114,623
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	6,243	10,159
Capital allowances for year in excess of depreciation	13,614	(10,218)
Adjustments to tax charge in respect of prior periods	-	(45,857)
Tax deduction arising from exercise of employee options	(13,244)	(10,670)
Total tax charge for the year	167,177	58,037

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

SAAB TECHNOLOGIES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2021	115,887	97,465	1,037,018	1,250,370
Additions	-	808	252,066	252,874
At 31 December 2021	115,887	98,273	1,289,084	1,503,244
Depreciation				
At 1 January 2021	115,617	75,533	233,051	424,201
Charge for the year on owned assets	270	21,956	222,927	245,153
At 31 December 2021	115,887	97,489	455,978	669,354
Net book value				
At 31 December 2021	-	784	833,106	833,890
At 31 December 2020	270	21,932	803,967	826,169

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

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FOR THE YEAR ENDED 31 DECEMBER 2021

13. DEBTORS

	2021 £	2020 £
Trade debtors	-	25,685
Amounts owed by group undertakings	2,360,666	983,728
Other debtors	337,277	311,552
Prepayments and accrued income	328,703	221,447
	<u>3,026,646</u>	<u>1,542,412</u>

14. CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash at bank and in hand	4,234,241	4,835,080
	<u>4,234,241</u>	<u>4,835,080</u>

15. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	123,058	53,317
Amounts owed to group undertakings	50,048	34,710
Corporation tax	77,007	36,629
Other taxation and social security	232,096	179,483
Other creditors	5,481	6,876
Accruals and deferred income	515,225	478,680
	<u>1,002,915</u>	<u>789,695</u>

SAAB TECHNOLOGIES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

16. FINANCIAL INSTRUMENTS

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through profit or loss	4,234,241	4,835,080
Financial assets that are debt instruments measured at amortised cost	2,461,896	1,097,862
	<u>6,696,137</u>	<u>5,932,942</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(690,152)</u>	<u>(569,280)</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade and other receivables.

Financial liabilities measured at amortised cost comprise trade and other payables.

17. SHARE CAPITAL

	2021 £	2020 £
Allotted, called up and fully paid		
100,000 (2020 - 100,000) Ordinary shares of £1.00 each	<u>100,000</u>	<u>100,000</u>

18. PENSION COMMITMENTS

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 £526,101 (2020 £448,116). Contributions totalling £51,626 (2020 £41,442) were payable to the fund at the balance sheet date and are included in creditors.

SAAB TECHNOLOGIES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

19. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	1,290,873	1,089,400
Later than 1 year and not later than 5 years	1,610,751	2,296,545
	<u>2,901,624</u>	<u>3,385,945</u>

20. CONTROLLING PARTY

The company is controlled by its parent company Saab ab. The company's Registered Office and the address from which consolidated accounts can be obtained is SE-58188, Linköping, Sweden.