

Company registration number: 01294792

ThyssenKrupp System Engineering Limited

**Annual report and financial statements
for the year ended 30 September 2011**

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ThyssenKrupp System Engineering Limited

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ThyssenKrupp System Engineering Limited

Directors' report for the year ended 30 September 2011

The directors present their annual report and the audited financial statements of the company for the year ended 30 September 2011

Principal activities

The principal activities of the Company and during the year ended 30 September 2011 were

- Servicing and modification to automotive engine assembly lines
- Design, manufacture and installation of engine assembly 'In Line' equipment
- Servicing and modification to automotive car body assembly lines
- Maintenance of automotive body panel dies

Business review

This review is detailed to the extent necessary for an understanding of the development, performance or position of the company's business

Financial Summary

The results of the company for the year to 30 September 2011 and the state of affairs at that date are shown in the financial statements on pages 8 to 19

The year ending September 2011 has seen an encouraging performance turning losses in 2010 into profits, an improvement in excess of £1m (before tax) Though order intake was 10% lower in 2011 the previous year included exceptional orders of £6.9m for the Jaguar Land Rover (JLR) from its L538 projects Sales have shown a slight improvement despite the lower demand from the ongoing JLR projects The improvement is due largely to engine assembly equipment and service sales

At the balance sheet date, the company's order book exceeded £7m which provides the company with a stable position as it heads into 2012 The company operates within the motor industry and its future profitability depends on the economic factors affecting that industry

The cash position has improved and exceeded £2m at the balance sheet date as the demands to fund the major JLR projects diminished and customer payments were received

Key Performance Indicators

Figs in £m	2011	2010
Order Intake	13.33	14.78
Sales	12.60	11.96
EBIT/(EBIT Losses)	0.46	(0.67)
% Return on Sales	3.70%	(5.60)%
Net Cash Pool Credit	2.04	1.15

ThyssenKrupp System Engineering Limited

Directors' report for the year ended 30 September 2011 (continued)

KPI's Explained -

Orders - Represents orders received from customer during the financial year

Sales - Represents the Revenue reported through the Profit and Loss Account, including Revenue Recognition

EBIT - Represents profits before interest paid/received and before corporation tax payments

% Return on Sales - Represents the proportion of Earnings generated from Sales in the financial year

Net Cash Pool Credit - Represents the ThyssenKrupp Systems Engineering Limited moneys held in ThyssenKrupp AG Germany bank accounts at the end of the financial year. This is held under a group wide cash pooling arrangement

Segmental Analysis

Engine Assembly

The company won orders in excess of £2m for 'In Line' equipment manufacture from Ford Motor Company for engine assembly lines

The company continued to support Ford Motor Company at its two major engine manufacturing plants in the UK with Dagenham, in particular, requesting increased support for Assembly Line modifications

Completion of assembly line projects at BMW (£0.7m) and JCB (£0.3m) helped drive the increase in contribution at a gross margin level

Car Body Assembly

Sales were significantly lower in 2011 due to the slowdown in demand from the JLR Halewood L538 Projects. Conversely, this slowdown had a positive effect on company profits as the loss making L538 Underbody project impacted the company profits considerably less than in 2010. The associated L538 Closures and Cladding projects also neared completion and were, in contrast, profitable

Die Maintenance

This sector continues to perform well and grew further in 2011, driven by increasing the company's maintenance support contract at JLR's Halewood plant as Body Panel Die Press capabilities were increased

New Business

This year saw the first sale to Spirit aerospace at Prestwick as the installation and commissioning associated with new Fixed Leading Edge rivet technology was completed in September 2011. The business will now move into a service contract phase

ThyssenKrupp System Engineering Limited

Directors' report for the year ended 30 September 2011 (continued)

Future Prospects

The company operates within the motor industry which is currently seeing some significant investment in the UK. The successful delivery of new equipment in 2011 positions the company well for future similar orders. However, its future profitability depends on the economic and competitive factors specific to that industry.

The order book exceeds £7m at September 2011 which provides the company with a stable position for the 2012 financial year.

Directors

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

P McClennon
J Goergen
C Hensel – Resigned 08 03 2011
B Becker
G Harper
U Anders – Appointed 08 03 2011

Financial risk management

The company's operations expose it to a variety of financial risks that include foreign exchange risk, credit risk and liquidity risk. The company has in place a risk management programme that seeks to limit the adverse effects of its financial performance. The policies set by the directors are implemented by the company's management team.

Foreign exchange risk

The company is exposed to currency risk when it has binding commercial or financial obligations in a currency other than its functional currency and the related cash inflows and outflows are not equal in amounts and timing. Foreign exchange exposures/risks are classified in three categories:

- transaction exposure/risks
- translation exposure/risks (accounting, balance sheet)
- economic exposure risks

Activities are focused on transactional cash flows which arise from receivables, payables, loans, cash balances, orders received, purchase orders etc. The primary responsibility to identify and hedge exposures lies with the company.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed annually by the management of the company.

Liquidity risk

The company regularly reviews its debt finance requirements which are designed to ensure the company has sufficient available funds for its operations and planned expansions.

ThyssenKrupp System Engineering Limited

Directors' report for the year ended 30 September 2011 (continued)

Statement of directors' responsibilities

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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,
- 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.

Donations

During the year the company made no political donations (2010: £nil). Donations to UK charities amounted to £1,871 (2010: £2,656).

Statement of disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (2) he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

By order of the board



Garry Harper
Managing Director
ThyssenKrupp System Engineering Limited
Registered number 01294792

01st December 2011

ThyssenKrupp System Engineering Limited

Independent auditors' report to the members of ThyssenKrupp System Engineering Limited

We have audited the financial statements of ThyssenKrupp System Engineering Limited for the year ended 30 September 2011 which comprise the profit and loss account, the balance sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities 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.

This report, including the opinions, has been prepared for and only for the 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.

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 annual report and financial statements to identify material inconsistencies with the audited financial statements. 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 30 September 2011 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.

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.

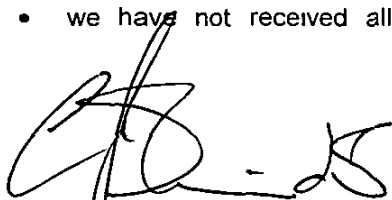
ThyssenKrupp System Engineering Limited

Independent auditors' report to the members of ThyssenKrupp System 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



Christopher Maidment (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick, 1 December 2011

ThyssenKrupp System Engineering Limited

Profit and loss account for the year ended 30 September 2011

		Year ended 30 September 2011	Year ended 30 September 2010
		£	£
Turnover	Note 2	12,595,968	11,960,042
Cost of sales		(10,300,948)	(11,014,182)
Gross profit		2,295,020	945,860
Administrative expenses		(2,027,759)	(1,844,218)
Other operating income		201,132	229,602
Operating Profit/(Loss)		468,393	(668,756)
Interest receivable and similar income	3	16,975	56,654
Interest payable and similar charges	4	(43,290)	(3,642)
Profit/(Loss) on ordinary activities before taxation	5	442,078	(615,744)
Tax on ordinary activities	8	(75,814)	108,329
Profit/(Loss) for the financial year	16	366,264	(507,415)

The company's results are derived from continuing operations

The company has no recognised gains and losses other than those disclosed in the profit and loss above and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit/(loss) on ordinary activities before tax and the profit/(loss) for the financial years stated above and their historical cost equivalents

ThyssenKrupp System Engineering Limited

Balance Sheet as at 30 September 2011

	Note	2011 £	2010 £
Fixed assets			
Tangible assets	10	83,832	114,529
Current assets			
Stocks	11	1,178,752	936,419
Debtors	12	5,113,609	6,314,098
Cash at bank and in hand		1,111	1,257
		6,293,472	7,251,774
Creditors: amounts falling due within one year	13	(2,986,324)	(4,089,800)
Net current assets		3,307,148	3,161,974
Total assets less current liabilities		3,390,980	3,276,503
Creditors: amounts falling due after more than one year	14	-	(4,332)
Provision for liabilities and charges	15	(471,238)	(718,693)
Net assets		2,919,742	2,553,478
Capital and reserves			
Called up share capital	17	130,000	130,000
Profit and loss account	18	29,742	(336,522)
Capital contribution	19	2,760,000	2,760,000
Total shareholders' funds	20	2,919,742	2,553,478

The financial statements on pages 8 to 19 were approved by the board of directors on 01st December 2011 and were signed on its behalf by



Garry Harper
Managing Director
ThyssenKrupp System Engineering Limited
Registered number 01294792

ThyssenKrupp System Engineering Limited

Notes to the financial statement for the year ended 30 September 2011

1. Accounting policies

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year are set out below.

Under FRS 1 'Cash Flow Statements' (revised 1996), the company is exempt from requirement to prepare cash flow statements on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly-owned subsidiary of ThyssenKrupp AG, the company has taken the advantage of the exemption in FRS 8 'Related Party Disclosures' and has, therefore, not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of ThyssenKrupp AG, within which this company is included, can be obtained from the address given in note 24.

Other operating income

The other operating income shown in the profit and loss account represents amounts (excluding Value Added Tax) invoiced for commissions during the year.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the purchase price of the asset plus costs attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided to write off the cost less estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives.

Leasehold improvements	-	over 5 years
Plant and Machinery	-	over between 3 and 15 years
Motor vehicles	-	over 5 years

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet and the gains or losses on translation are included in the profit and loss account.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

ThyssenKrupp System Engineering Limited

Notes to the financial statement for the year ended 30 September 2011 (continued)

1. Accounting policies (continued)

Post retirement benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independent administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

The company also participates in a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company. The company is unable to identify its share of the Scheme of assets and liabilities on consistent and reliable basis, and as permitted by FRS 17, 'Retirement Benefits', the Scheme has been accounted for, in these financial statements as if the Scheme was a defined contribution scheme.

Stock and long term contracts

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profit, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen.

Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover.

Amounts recoverable on contracts are included in debtors (including value added tax) and represent turnover recognised in excess of payments on account.

Accrued Income

Income is accrued on large ongoing contracts where related revenue is recognised in line with the percentage completion policy noted in Note 2 however the amounts are not yet billed.

Deferred taxation

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19, 'Deferred Tax'.

Deferred tax assets are recognized to the extent that it is regarded as more likely than not that they will be recovered.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Provisions

Provisions are recognised when the company has a present obligation as a result of a past event. It is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable obligation estimate can be made. The company provides specifically for customer warranty claims, an onerous property lease, losses anticipated on customer contracts and estimated building dilapidation costs. The calculations are individual to each specific provision (see financial statements note 15).

ThyssenKrupp System Engineering Limited

Notes to the financial statements for the year ended 30 September 2011 (continued)

2. Turnover

The turnover shown in the profit and loss account represents amounts (excluding Value Added Tax) invoiced for the provision of goods and services to customers during the year

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion

All turnover originates in the United Kingdom

3. Interest receivable and similar income

	Year ended 30 September 2011 £	Year ended 30 September 2010 £
Interest receivable from the group	16,975	56,654

4. Interest payable and similar charges

	Year ended 30 September 2011 £	Year ended 30 September 2010 £
Interest payable to the group	43,290	3,642

5. Profit/(Loss) on ordinary activities before taxation

	Year ended 30 September 2011 £	Year ended 30 September 2010 £
Profit/(Loss) on ordinary activities before taxation is stated after charging		
Depreciation		
- Owned fixed assets	47,833	56,097
- Fixed assets under hire purchase agreements	4,899	4,899
Auditors' remuneration		
- Audit Fees	14,420	14,000
- Fees for other services - taxation	5,774	-
Operating lease rentals		
- Plant and machinery	25,923	31,450
- Other	178,876	111,875

ThyssenKrupp System Engineering Limited

Notes to the financial statements for the year ended 30 September 2011 (continued)

6. Staff numbers and costs

The average number of employees (including directors) during the year was as follows

By activity	2011 Number	2010 Number
Administration and marketing	7	10
Direct production	51	51
	58	61

The aggregate payroll costs for these persons were as follows

	2011 £	2010 £
Wages and salaries	2,712,309	2,609,136
Social security costs	281,559	264,092
Other pension costs	190,349	189,164
	3,184,217	3,062,392

7. Remuneration of directors

	2011 £	2010 £
Aggregate emoluments of directors	148,097	137,992
Company contributions to money purchase pension scheme	12,880	12,744
	160,977	150,736

Retirement benefits are accruing to the following number of directors under

	2011 Number	2010 Number
Money purchase scheme	2	2
Defined benefit scheme	1	1

The pension costs of one director included above are recharged in full to ThyssenKrupp System Engineering GmbH

ThyssenKrupp System Engineering Limited

Notes to the financial statements for the year ended 30 September 2011 (continued)

8. Tax on profit/(loss) on ordinary activities

Analysis of credit for the year:

	2011 £	2010 £
Current tax		
UK corporation tax on income for the year	4,078	(164,654)
Adjustments in respect of prior years	168,017	41,928
Total current tax charge/(credit)	172,095	(122,726)
Deferred tax		
Origination and reversal of timing differences	134,644	(2,637)
Adjustment in respect of previous years	(230,925)	17,034
Total Deferred Tax	(96,281)	14,397
Tax on Profit/(Loss) on loss on ordinary activities	75,814	(108,329)

Factor affecting the tax credit for the current year:

The tax assessed for the year is higher (2010 Higher) than the standard rate of corporation tax in the UK of 27% (2010 28%). The differences are explained below

Current year tax reconciliation	2011 £	2010 £
Profit on ordinary activities before taxation	442,077	(615,744)
Profit on ordinary activities at standard rate of corporation tax in the UK of 27% (2010 28%)	119,361	(172,409)
Effects of		
Expenses not deductible	5,608	5,118
Difference between capital allowances and depreciation	(6,758)	(2,646)
Utilisation of Tax Losses carried forward	(83,071)	-
Short term timing differences	(31,062)	5,283
Adjustment in respect of prior years	168,017	41,928
Total current tax charge/ (credit) for the year	172,095	(122,726)

As the year end is after substantive enactment date (20 July 2010) of the Finance Act 2010 and after the substantive enactment dates (29 March 2011 & 5 July 2011) of the March 2011 UK Budget Statement changes, these financial statements account for the change in tax rate from 28% to 26% with effect from 1 April 2011 and the change in tax rate from 26% to 25% with effect from 1 April 2012 and therefore the rate at which deferred tax is calculated. Deferred tax is provided at 25%

9. Dividends

	2011 £	2010 £
Dividend Paid	-	50,000

No dividends are paid or proposed to be paid as at 30th September 2011

ThyssenKrupp System Engineering Limited

Notes to the financial statements for the year ended 30 September 2011 (continued)

10. Tangible assets

	Short leasehold improvements	Plant and machinery	Motor vehicles	Total £
Cost				
As at 1 October 2010	94,752	164,114	6,444	265,310
Additions	-	19,491	-	19,491
Disposals	-	-	(2,590)	(2,590)
As at 30 September 2011				
Accumulated depreciation				
As at 1 October 2010	25,213	119,124	6,444	150,781
Charge for the year	25,215	24,973	-	50,188
Disposals	-	-	(2,590)	(2,590)
As at 30 September 2011	50,428	144,097	3,854	198,379
Net book amount				
As at 30 September 2011	44,324	39,508	-	83,832
As at 30 September 2010	69,539	44,990	-	114,529

Hire Purchase Agreements

Included in the net book value of £83,832 (2010 £114,529) is £8,997 (2010 £13,904) relating to assets held under hire purchase agreements. The depreciation charged in the year in respect of such assets amounted to £4,899 (2010 £4,899).

11. Stocks

Long term contract balances

	2011 £	2010 £
Work in progress	2,448,507	1,661,052
Payment on account	(1,269,755)	(724,633)
Total of long term contract balances	1,178,752	936,419

Amounts recoverable on contracts is equivalent to the above less the provision for contract losses in Note 14.

ThyssenKrupp System Engineering Limited

Notes to the financial statements for the year ended 30 September 2011 (continued)

12. Debtors

	2011 £	2010 £
Trade debtors	2,275,946	1,521,208
Amounts owed by group undertakings	2,339,511	4,373,333
Other debtors	14,110	34,061
Deferred tax asset (see note 15)	171,920	75,639
Prepayments and accrued income	312,122	145,203
Corporation Tax	-	164,654
	5,113,609	6,314,098

13. Creditors: amounts falling due within one year

	2011 £	2010 £
Trade creditors	853,517	2,365,240
Payments received on account	362,117	355,680
Amounts owed to group undertakings	139,161	460,574
Corporation Tax	36,287	-
Taxation and social security	962,821	462,858
Hire purchase	4,332	6,102
Other creditors	84,092	31,065
Accruals	543,997	408,281
	2,986,324	4,089,800

Intercompany creditors are non interest bearing, no security is attached and are payable on demand

14. Creditors: amounts falling due after more than one year

	2011 £	2010 £
Hire purchase	-	4,332

The total value of hire purchase liabilities falling due for payment after more than five years is £nil (2010 £nil)

15. Provisions for liabilities and charges

	2011 £	2010 £
Warranty provisions on completed contracts	103,189	59,568
Provision for onerous lease	162,518	277,236
Provision for contract losses	135,523	311,881
Other provisions	70,008	70,008
	471,238	718,693

ThyssenKrupp System Engineering Limited

Notes to the financial statements for the year ended 30 September 2011 (continued)

Movements in the year

	2011 £	2010 £
Balance at beginning of the year	718,693	548,951
New provisions charged during the year	130,443	376,457
Provisions utilised during the year	(377,898)	(206,715)
Transfers from group undertakings	-	-
Balance at the end of the year	471,238	718,693

Warranty provisions

The warranty provision relates to warranties given to customers. The directors have provided for claims that are expected to arise between the balance sheet and the expiry of warranty. It is expected that this expenditure will be incurred within one year of the balance sheet date.

Onerous leases

The provision relates to future rentals payable on vacant properties net of future receivable under the sub-letting arrangements. These costs will be incurred within two years of the balance sheet date.

Provision for contract losses

The provision for contract losses reflects the expected losses to arise on any customer contract at the balance sheet date.

Other provisions

Other provisions relate to expected dilapidation costs of returning a leasehold property to the state of condition required by the lease at its termination. These costs will be incurred within ten years of the balance sheet date.

16. Deferred tax asset

	2011 £	2010 £
At the beginning of the year	75,639	90,036
Movement on deferred tax asset due to change in tax rate (1%)	(8,104)	-
Credit on Deferred tax asset in the year	104,385	(14,397)
At the end of the year	171,920	75,639

The elements of deferred taxation are as follows

	2011 £	2010 £
Difference between accumulated depreciation and capital allowances	54,895	48,766
Short term timing differences	64,542	26,873
Tax from Trading Losses Carried Forward	52,483	-
	171,920	75,639

ThyssenKrupp System Engineering Limited

Notes to the financial statements for the year ended 30 September 2011 (continued)

17. Called up share capital

	2011 £	2010 £
Authorised:		
130,000 Ordinary shares of £1 each	130,000	130,000
Allotted and fully paid:		
130,000 Ordinary shares of £1 each	130,000	130,000

18. Profit and loss account

	Profit and loss account £
As at 1 October 2010	(336,522)
Profit for the financial year	366,264
Dividends declared and paid	-
As at 30 September 2011	29,742

19. Capital contribution reserve

	Capital contribution reserve £
As at 1 October 2010	2,760,000
Movement in the year	-
As at 30 September 2011	2,760,000

The movement in the capital contribution reserve relates to a capital injection in the year from group

20. Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit for the financial year	366,264	(507,415)
Dividends paid	-	(50,000)
Capital contribution	-	1,260,000
Net increase in shareholders' funds	366,264	702,585
Opening shareholders' funds	2,553,478	1,850,893
Closing shareholders' funds	2,919,742	2,553,478

ThyssenKrupp System Engineering Limited

Notes to the financial statements for the year ended 30 September 2011 (continued)

21. Commitments

At 30 September 2011, the company had annual commitments under non-cancellable operating leases as set out below

	2011		2010	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
Within one year	146,444	6,821	-	1,356
In second to fifth year inclusive	273,542	17,457	324,986	18,762
After more than five years				
	419,986	24,278	324,986	20,118

22. Retirement benefit obligations

The company has one employee who participates in the Cross Huller Limited defined benefit scheme ("the Scheme"). This is a closed scheme and further information is set out in the financial statements of ThyssenKrupp Knowsley Limited, the principal employer of the Scheme

The company also operates a defined contribution scheme. The total pension cost for the company for this scheme was £190,349 (2010 £189,164). The amount of pension contributions owed by the company to the pension scheme at the balance sheet date was £20,641 (2010 £20,968).

23. Financial commitments

As a part of the groups financing arrangements the company is jointly and severally liable for certain indebtedness of ThyssenKrupp AG. The contingent liability as at 30 September 2011 amounted to £Nil (2010 £Nil).

24. Ultimate parent company and immediate parent undertakings

The company's ultimate controlling parent company is ThyssenKrupp AG, a company incorporated in Germany. The company's immediate parent undertaking is ThyssenKrupp UK plc.

The largest and smallest group in which the results of the company are consolidated is that headed by ThyssenKrupp AG. The consolidated financial statements of ThyssenKrupp AG are available to the public and may be obtained from ThyssenKrupp AG, Postfach 10 10 10, D-40001 Dusseldorf, Germany.