

**THYSSENKRUPP MARINE SYSTEMS LLP**  
**MEMBERS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2019**



# THYSSENKRUPP MARINE SYSTEMS LLP

## PARTNERSHIP INFORMATION

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**Designated member**

thyssenkrupp Marine Systems GmbH

**Member**

thyssenkrupp Technologies Beteiligungen GmbH

**Partnership number**

OC307812

**Registered office**

Third Floor  
Friars Gate 1  
1011 Stratford Road  
Shirley  
B90 4BN

**Independent Auditors**

PricewaterhouseCoopers LLP  
One Chamberlain Square  
Birmingham  
B3 3AX

**Bankers**

Commerzbank AG  
London Branch  
Commerzbank House  
23 Austin Friars  
London  
EC2J 2JD

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# THYSSENKRUPP MARINE SYSTEMS LLP

## CONTENTS

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	<b>Page</b>
<b>Members' Report</b>	1-2
<b>Independent Auditors' Report</b>	3-4
<b>Statement of Comprehensive Income</b>	5
<b>Statement of Financial Position</b>	6
<b>Statement of Cash Flows</b>	7
<b>Reconciliation of Members' Interests</b>	8
<b>Notes to the Financial Statements</b>	9-15

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# **THYSSENKRUPP MARINE SYSTEMS LLP**

## **MEMBERS' REPORT**

### **FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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The members present their report and the audited financial statements for the year ended 30 September 2019.

#### **Principal activities and review of the business**

The principal activity of the Limited Liability Partnership ("LLP") is the management of a number of indirect offset and agency agreements related to submarine contracts of the designated member. Through amendments of the related consortia agreements effective 31 March 2019, the management of indirect offset was transferred to thyssenkrupp Marine Systems GmbH.

During the financial year the LLP continued the contractual relationships with two sales agents as outlined by the agency agreements. In one case, Turkey (Tetico), the LLP awaited arbitration court instructions before payments were made to Tetico. This policy followed instructions received from thyssenkrupp AG in order to safeguard the LLP from potential accusations relating to assumed ongoing legal investigations against Tetico.

Regarding indirect offset, the LLP continued to make use of the services rendered by thyssenkrupp Marine System GmbH offset department in order to identify and develop indirect offset credits as required by the offset contracts (for the contracts in Turkey and South Korea). Since Marine Systems' indirect offset experts are now all located in thyssenkrupp Marine System GmbH, an agreement was negotiated by which the indirect offset obligations and related funding were transferred from the LLP to thyssenkrupp Marine System GmbH as of 31 March 2019.

#### **Impact of Brexit**

The impact of the EU referendum which resulted in the UK voting to leave the EU is likely to continue to lead to many months of uncertainty as the political and legal issues are worked out. The directors do not believe that it will have a material impact on the business but will monitor events closely.

#### **Members**

The following members held office since 1 October 2018 and until the date of signing:

thyssenkrupp Marine Systems GmbH  
thyssenkrupp Technologies Beteiligungen GmbH

The capital introduced by the LLP's members is not repayable to the members during the existence of the LLP. The capital introduced is only available for repayment on the cessation of the LLP or the withdrawal of a member from the LLP, as laid down in the Partnership Agreement.

#### **Independent Auditors**

In accordance with section 485 of the Companies Act 2006, a resolution proposing that PricewaterhouseCoopers LLP be re-appointed as auditors will be presented at the General Meeting.

#### **Disclosure of information to auditors**

The members who held office at the date of this report confirm that:

- As far as the members are aware, there is no relevant audit information of which the LLP's auditors are unaware; and
- The members have taken all the steps they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that the LLP's auditor is aware of that information

**THYSSENKRUPP MARINE SYSTEMS LLP  
MEMBERS' REPORT (continued)  
FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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***Statement of members' responsibilities in respect of the financial statements***

The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

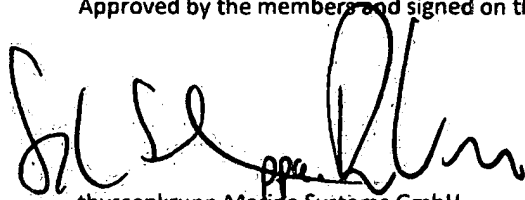
Company law, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations"), requires the members to prepare financial statements for each financial year. Under that law the members have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law, as applied to limited liability partnerships, the members 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 limited liability partnership and of the profit or loss of the limited liability partnership for that period. In preparing the financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the limited liability partnership will continue in business.

The members are also responsible for safeguarding the assets of the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships by the Regulations.

Approved by the members and signed on their behalf on 12 March 2020.

  
thysenkrupp Marine Systems GmbH  
Designated member

  
thysenkrupp Technologies Beteiligungen GmbH  
Member

# ***Independent auditors' report to the members of Thyssenkrupp Marine Systems LLP***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, Thyssenkrupp Marine Systems LLP's financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 30 September 2019 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

We have audited the financial statements, included within the Members' Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 30 September 2019; the statement of comprehensive income, the statement of cash flows, the reconciliation of members' interests for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- (a) the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- (b) the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the limited liability partnership's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms of the United Kingdom's withdrawal from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

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### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

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# ***Independent auditors' report to the members of thyssenkrupp Marine Systems LLP (continued)***

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## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the members for the financial statements*

As explained more fully in the Statement of members' responsibilities in respect of the financial statements set out on page 2, the members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The members are also responsible for such internal control as they 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 members are responsible for assessing the limited liability partnership'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 members either intend to liquidate the limited liability partnership or to cease operations, or have no realistic alternative but to do so.

### *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 auditors' report 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### *Use of this report*

This report, including the opinion, has been prepared for and only for the members of the partnership as a body in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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.

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## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

- (a) we have not received all the information and explanations we require for our audit; or
- (b) adequate accounting records have not been kept by the limited liability partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- (c) the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

*Simon Evans*

Simon Evans (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham  
12 March 2020

**THYSSENKRUPP MARINE SYSTEMS LLP**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

Note	Year ended 30 September 2019 €	Year ended 30 September 2018 €
2	Revenue	12,205,937
	Cost of Sales	(14,490,838)
	<b>Gross (loss) / profit</b>	<b>72,320</b>
	Administrative expenses	(1,767,201)
3	Other income	-
4	Interest Receivable	18,252
	<b>Total comprehensive income / (expense) for the year before interest on members' loans</b>	<b>(1,676,629)</b>
	Finance cost	-
	Corporation tax	-
	<b>Total comprehensive income / (expense)</b>	<b>(1,676,629)</b>

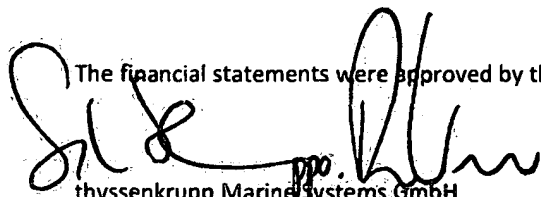
Notes on pages 9 to 15 form part of these financial statements.

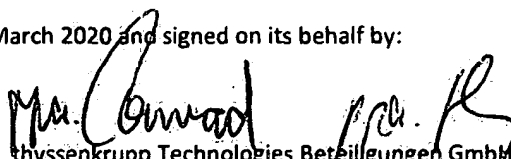


**THYSSENKRUPP MARINE SYSTEMS LLP  
STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2019**

Note	30 September 2019		30 September 2018	
	€	€	€	€
	<b>Non-current assets</b>			
6	Investments	-	-	-
7	Trade and other receivables	9,369,558	-	-
		<u>9,369,558</u>		<u>-</u>
	<b>Current assets</b>			
7	Trade and other receivables	3,098,678	6,870,665	
8	Cash and cash equivalents	2,196,736	1,095,868	
		<u>5,295,414</u>	<u>7,966,533</u>	
	<b>Total assets</b>	<b>14,664,972</b>	<b>7,966,533</b>	
	<b>Current liabilities</b>			
9	Trade and other payables	(3,562,413)	(8,611,460)	
	<b>Non-current liabilities</b>			
9	Trade and other payables	(9,124,932)	-	
	<b>Total liabilities</b>	<b>(12,687,345)</b>	<b>(8,611,460)</b>	
	<b>Total equity</b>	<b>1,977,627</b>	<b>(644,927)</b>	
	<b>Represented by:</b>			
	<b>Members' other interests</b>			
	Members' capital	1,031,702	1,031,702	
	Profit / (loss) for the year	945,925	(1,676,629)	
		<u>1,977,627</u>	<u>(644,927)</u>	
	<b>Total members' interests</b>			
	Members' other interests	1,977,627	(644,927)	
	Amounts due (from) / to members	(958,755)	717,874	
		<u>1,018,872</u>	<u>72,947</u>	

The financial statements were approved by the Board on 12 March 2020 and signed on its behalf by:

  
thysenkrupp Marine Systems GmbH  
Designated member

  
thysenkrupp Technologies Beteiligungen GmbH  
Member

Partnership Registration No. OC307812

Notes on pages 9 to 15 form part of these financial statements.

**THYSSENKRUPP MARINE SYSTEMS LLP**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

Notes	Year ended 30 September 2019 €	Year ended 30 September 2018 €
<b>Cash flows from operating activities</b>		
	945,925	(1,676,629)
	Net profit / (loss) for year	
	Adjustments for:	
	-	-
	Finance costs	
4	(15,777)	(18,252)
	930,148	(1,694,881)
	<b>Cash flows from investing activities</b>	
7	(4,638,816)	(3,089,354)
9	4,793,759	(3,690,083)
	1,085,091	(8,474,318)
	<b>Net cash inflow / (outflow) from operating activities</b>	
	<b>Cash flows from investing activities</b>	
4	15,777	18,252
	15,777	18,252
	<b>Net cash inflows from investing activities</b>	
	<b>Cash flows from financing activities</b>	
	-	-
	Interest paid	
	-	-
	Loan from TKMS GmbH	
	<b>Net cash outflows from financing activities</b>	
8	1,100,868	(8,456,066)
	<b>Net increase/(decrease) in cash and cash equivalents</b>	
8	1,095,868	9,551,934
	<b>Cash and cash equivalents at the beginning of period</b>	
8	2,196,736	1,095,868
	<b>Cash and cash equivalents at the end of period</b>	

Notes on pages 9 to 15 form part of these financial statements.

**THYSSENKRUPP MARINE SYSTEMS LLP**  
**RECONCILIATION OF MEMBERS' INTERESTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

	(Losses) to be divided €	Members' Capital €	Total Equity €	Amounts due to / (from) members €	Total members' interests €
At 1 October 2017	59,041	1,031,702	1,090,743	658,833	1,749,576
Allocation of prior year profits	(59,041)	-	(59,041)	59,041	-
Loss in the Financial year	(1,676,629)	-	(1,676,629)	-	(1,676,629)
At 30 September 2018	(1,676,629)	1,031,702	(644,927)	717,874	72,947
Allocation of prior year loss	1,676,629	-	1,676,629	(1,676,629)	-
Profit in the Current year	945,925	-	945,925	-	945,925
<b>At 30 September 2019</b>	<b>945,925</b>	<b>1,031,702</b>	<b>1,977,627</b>	<b>(958,755)</b>	<b>1,018,872</b>
Amounts due from Members				(958,755)	

Notes on pages 9 to 15 form part of these financial statements.

**THYSSENKRUPP MARINE SYSTEMS LLP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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**1. Accounting Policies**

**a) Accounting convention**

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union, the LLP SORP (March 2010) and with those parts of the Companies Act 2006 applicable to limited liability partnerships (LLPs) reporting under IFRS and under the historic cost convention. The financial statements have been prepared on an accruals basis and on the basis that the LLP is a going concern. The accounting policies have been applied consistently, other than where new policies have been adopted as disclosed in note 1(b) below.

**b) New and revised standards applied by the LLP**

IFRS 15 'Revenue from Contracts with Customers' (which replaces IAS 18 'Revenue' and IAS 11 'Construction contracts') and IFRS 9 'Financial Instruments' (which replaces IAS 39 'Financial Instruments') are new accounting standards effective for the year ended 30 September 2019. The impact of these standards has been disclosed within note 13.

**c) Going Concern**

The members have provided confirmation of their intention to support the LLP for the foreseeable future and in particular manage short term cash flow requirements on individual contracts. In light of the confirmation they consider it appropriate to prepare the financial statements on a going concern basis.

**d) Revenue**

All turnover generated by the LLP during the year arose from its principal activities. Revenue comprises fees due to the LLP for the successful negotiation and execution of contracts for the sale of naval vessels and submarines, net of VAT and trade discounts.

The fees due to the LLP in relation to successful contracts comprise an initial success fee, which were recognised on the signing of a contract, plus fees recognised over the life of those contracts. The naval vessels and submarines are supplied by one of the member companies, thyssenkrupp Marine Systems GmbH, which accounts for its own revenue from those contracts over time under the percentage of completion (POC) method of accounting. Revenue is recognised over time as the project work primarily creates or enhances an asset that the customer controls as the asset is created or enhanced.

**d) Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into Euro (€) at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the statement of comprehensive income.

**e) Cash and cash equivalents**

Cash and cash equivalents comprise current bank balances with banks. For the purpose of the cash flow statement, cash equivalents are as defined above, net of outstanding bank overdrafts.

**THYSSENKRUPP MARINE SYSTEMS LLP**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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**f) Financial instruments**

Amortised cost assets (including receivables from members and related parties) are primarily financial assets with fixed or determinable payments that are not traded in an active market and are reported on the balance sheet under "Debtors: amounts falling due within one year." Initial measurement takes place at fair value plus transaction costs. They are subsequently measured at amortised cost, using the effective interest method. Valuation allowances are provided for identifiable individual risks in addition to the expected credit losses calculated when known.

Financial liabilities (including trade and other payables) are measured at amortised cost, using the effective interest method. Initial measurement takes place at fair value net of transaction costs incurred. In subsequent periods, the amortisation and accretion of any premium or discount is included in finance costs/income.

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the LLP after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the LLP is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

**g) Accounting standards issued but not yet adopted**

**Standards issued but not yet effective**

Standards issued but not yet effective up to the date of issuance of the LLP's financial statements are listed below. This listing is of standards and interpretations issued, which the LLP reasonably expects to be applicable at a future date. The LLP intends to adopt those standards when they become effective.

<i>International Accounting Standard (IAS/IFRS)</i>	<i>Effective Date</i>
IFRS 16 Lease Arrangement	1 October 2019

In so far as they are relevant to the LLP's operations, future adoption of these standards as they become effective is not expected to have a material impact on the financial statements of the LLP. The above standards and amendments to standards are not expected to have a material impact on the LLP.

**h) Group financial statements**

These financial statements present information about the LLP as an individual undertaking and not about its group. Consolidated group financial statements have not been prepared due to the only subsidiary undertaking being immaterial.

**THYSSENKRUPP MARINE SYSTEMS LLP**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

**2. Revenue.**

	Year ended 2019 €	Year ended 2018 €
<b>Geographical market</b>		
Asia	248,990	574,562
Europe	9,738,626	1,111,799
Africa	2,218,321	3,110,344
	<hr/>	<hr/>
	12,205,937	4,796,705
	<hr/>	<hr/>

**3. Profit /-(loss) from operations**

	Year ended 2019 €	Year ended 2018 €
<b>Profit /-(loss) from operations</b>		
Profit / (loss) from operations is shown after charging /-(crediting):		
Auditors' remuneration	18,111	18,085
Loss on foreign currency	1,529	281
Other income	(3,386,371)	-
	<hr/>	<hr/>

Other income relates to amounts waived by thyssenkrupp Marine System GmbH in relation to amounts payable in relation to the transfer of the indirect offset obligations.

**4. Interest Receivable**

	Year ended 2019 €	Year ended 2018 €
<b>Bank and other interest received</b>	15,777	18,252
	<hr/>	<hr/>

**5. Members' shares of profits and losses**

Profits / (losses) to be divided among the members, in accordance with the partnership agreement, after the end of the year.

	2019 Number	2018 Number
<b>Average number of members</b>	2	2
	<hr/>	<hr/>
	2019 €	2018 €
<b>Average profit / (loss) per member before interest on members' capital</b>	472,963	(838,314)
	<hr/>	<hr/>

**THYSSENKRUPP MARINE SYSTEMS LLP**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

6. Investments

	Shares in group undertakings and participating interests
<b>Cost</b>	€
As at 1 October 2018 and 30 September 2019	-
<b>Provisions for diminution in value</b>	
As at 1 October 2018 and 30 September 2019	-
<b>Net book value</b>	
As at 1 October 2018 and 30 September 2019	-

**Holdings of more than 20%**

The LLP holds more than 20% of the share capital of the following companies:

Company	Country of registration or Incorporation	Class	Shares held %
<b>Subsidiary undertakings</b>			
thyssenkrupp Marine Systems India Private Limited	India	Ordinary	100.00

Registered office: 16th Floor, Building No. 9, Tower B, DLF Cyber City, Phase - III, Gurgaon - 122002, INDIA

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

Principal activity	Capital and Reserves 30 September 2019	Loss for the year 30 September 2019
	€	€
thyssenkrupp Marine Systems India Private Limited	257,133	(8,452)

**THYSSENKRUPP MARINE SYSTEMS LLP**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

<b>7.</b>	<b>Trade and other receivables</b>	<b>2019</b>	<b>2018</b>
		€	€
	<b>Non-current assets</b>		
	Prepayments and accrued income	9,369,558	-
		<hr/>	<hr/>
	<b>Current assets</b>		
	Receivables from members	958,755	-
	Receivables from related parties (note 15)	1,105,749	5,902,427
	Prepayments and accrued income	1,034,174	968,238
		<hr/>	<hr/>
		3,098,678	6,870,665
		<hr/>	<hr/>
		12,468,236	6,870,665
		<hr/>	<hr/>

Prepayments and accrued income are long-term receivables and have been discounted at 1.875%.

Receivables from related parties represent group cash pool facility balances which are unsecured and are repayable on demand, bearing interest at variable rates.

Receivables are stated after loss allowances of £nil (2018: £nil).

**8. Cash and cash equivalents**

	At 01.10.17	Cash flow	At 30.09.18	Cash flow	At 30.09.19
	€	€	€	€	€
Cash at bank and in hand	9,551,934	(8,456,066)	1,095,868	1,100,868	2,196,736
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	9,551,934	(8,456,066)	1,095,868	1,100,868	2,196,736
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>



**THYSSENKRUPP MARINE SYSTEMS LLP**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

<b>9.</b>	<b>Trade and other payables</b>	<b>2019</b>	<b>2018</b>
		€	€
	<b>Current liabilities</b>		
	Payables to members	-	717,874
	Accruals	1,021,702	2,394,596
	Other payables	2,540,711	5,498,990
		<hr/>	<hr/>
		3,562,413	8,611,460
	<b>Non-current liabilities</b>		
	Other payables	9,124,932	-
		<hr/>	<hr/>
		12,687,345	8,611,460
		<hr/>	<hr/>

Other payables are long-term term liabilities and have been discounted at 1.875%.

**10. Financial assets and liabilities**

The LLP's financial instruments comprise borrowings, cash and cash equivalents and various items such as trade receivables, trade payables and accruals that arise directly from its operations.

The main purpose of these financial instruments is to finance the LLP's operations.

<b>Extent and nature of financial instruments</b>	<b>2019</b>	<b>2018</b>
	€	€

The LLP held the following financial assets at 30 September 2019:

Trade and other receivables including amounts owed by members	12,468,236	6,870,665
Cash in hand and at bank	2,196,736	1,095,868
	<hr/>	<hr/>
	14,664,972	7,966,533
	<hr/>	<hr/>

**Financial liabilities**

Financial liabilities comprise amounts owed to members, employee costs and other liabilities arising from trading operations.

<b>The LLP had the following financial liabilities at 30 September:</b>	<b>2019</b>	<b>2018</b>
	€	€

Trade and other payables	12,687,345	8,611,460
	<hr/>	<hr/>
	12,687,345	8,611,460
	<hr/>	<hr/>

**THYSSENKRUPP MARINE SYSTEMS LLP**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2019**

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**10. Financial assets and liabilities (continued)**

<b>Maturity of financial liabilities</b>	<b>€</b>	<b>€</b>
The maturity of the above financial liabilities at 30 September is as follows:		
Within one year	3,562,413	8,611,460
After more than one year	9,124,932	-
	<hr/>	<hr/>
	12,687,345	8,611,460
	<hr/>	<hr/>

**Borrowing facilities**

At 30 September 2019, the LLP had no undrawn committed borrowing facilities (2018: none).

**11. Employees**

The average number of employees during the year was nil (2018 = nil).

**12. Operating lease commitments**

At 30 September 2019 the LLP had no commitments to make payments under non-cancellable operating leases (2018: €nil). Operating lease payments recognised in the Statement of Comprehensive Income for the year totalled €nil (2018: €nil).

**13. Changes in accounting policies – transition to IFRS 9 and 15**

The LLP has adopted IFRS 9 'Financial instruments' (which replaces IAS 39 'Financial Instruments') and IFRS 15 'Revenue from Contracts with Customers' (which replaces IAS 18 'Revenue') from 1 October 2018. No changes in accounting policies or adjustments to the amounts recognised in the financial statements have been made as a result of the transition. In accordance with the transitional provisions in IFRS 9 and IFRS 15, comparative figures have not been restated. There is no impact on the LLP's opening retained earnings balance as a result of applying IFRS 9 and 15.

**14. Control**

The company regarded by the directors as being the ultimate controlling company being thyssenkrupp AG and the immediate parent group undertaking is thyssenkrupp Marine Systems GmbH who are both incorporated in Germany. This is the largest and smallest group within which is consolidated. The consolidated financial statements of thyssenkrupp AG can be obtained from thyssenkrupp, Allee 1, Postfach 45063, 45143 Essen, Germany.

**15. Related party transactions**

At the statement of financial position date thyssenkrupp Marine Systems GmbH, a member, owed €958,755 in receivables from members (2018: was owed €717,874 in payables to members). Also, the LLP was owed at the statement of financial position date €1,105,749 (2018: €5,902,427) from the Group's ultimate parent undertaking, thyssenkrupp AG.