

**Siemens Process Systems
Engineering Limited
(formerly Process Systems Enterprise
Limited)**

FINANCIAL STATEMENTS

**For the year ended 30 September
2020**



Registered number: 03307708

Siemens Process Systems Engineering Limited
(formerly Process Systems Enterprise Limited)

FINANCIAL STATEMENTS

For the year ended 30 September 2020

Directors:

A Noon
C Pantelides
G Sturm
M Matzopoulos
B McKenzie
E Eberle
M Houghton

Company secretary: J Matthews

Company registration number: 03307708

Registered office:

Faraday House
Sir William Siemens Square
Frimley, Camberley
Surrey
GU16 8QD

Independent auditor:

Ernst & Young LLP
Apex Plaza
Forbury Road
Reading RG1 1YE

Siemens Process Systems Engineering Limited
(formerly Process Systems Enterprise Limited)
FINANCIAL STATEMENTS

For the year ended 30 September 2020

INDEX	PAGE
Strategic report	1 – 2
Directors' report	3 – 4
Independent auditor's report	5 – 7
Statement of profit or loss and other comprehensive income	8
Statement of financial position	9
Statement of cash flows	10
Statement of changes in equity	11
Notes to the financial statements	12 - 29

Siemens Process Systems Engineering Limited

(formerly Process Systems Enterprise Limited)

Strategic Report

For the year ended 30 September 2020

The directors of Siemens Process Systems Engineering Limited (“the Company”) present the annual report containing a strategic report, directors’ report and the financial statements for the year ended 30 September 2020. The company changed its name from Process Systems Enterprise Limited to Siemens Process Systems Engineering on 29 April 2021.

Principal activity

The principal activity of the Company is to provide Advanced Process Modelling technology and related model-based engineering and innovation services to the process industries around the world.

Business review

The Company’s products are built on the Company’s world-leading gPROMS® platform technology. These products enable the Company’s customers to explore the process decision space rapidly, reduce uncertainty and make better, faster and safe design and operating decisions through deeper understanding of their processes. This results in faster innovation, improved process and product designs, enhanced operations, reduced risk, more effective R&D and experimental campaigns, and better capture and transfer of corporate knowledge across the organisation. Results are achieved with relatively low investment compared to alternative approaches, with rapid returns. As a spin-out of Imperial College London, the Company has strong links to academia and its software is used in research and teaching in over 200 universities around the world.

Revenue for the period was £16.2m (2019: £10.1m). The profit for the period was £0.1m (2019: £2.6m loss).

Principal risks and uncertainties

Technology & competition

If a third party produces a more advanced solution with better market acceptance and/or improved functionality, or a similar solution with significantly lower cost, this could have a material adverse effect of the Company’s business. The Company continues to invest over 30% of revenue per annum in R&D to maintain its products at the leading edge of Advanced Process Modelling technology.

Litigation risk

Technology-based companies are frequently subject to litigation with respect to patent and other intellectual property rights. Any litigation to determine the validity of third-party infringement claims or defined the Company’s intellectual property could, at a minimum, be costly. There have been no substantive challenges to our IP position.

Price pressures and competition

In common with other business to business providers, the Company is subject to pricing pressures and these are greater where there are more real or perceived alternatives to its products and services. The near-term success of the Company’s business depends on customers understanding the benefit of advanced process modelling. The Company seeks to drive adoption and awareness of its product through marketing, strong educational programmes and compelling evidence from publicly available case studies. The continued growth in new and existing customers demonstrates that they increasingly understand the benefits to their businesses.

Economic environment

The Company’s operating results and financing capacity could be adversely affected by the current world economic outlook. This can make it difficult to forecast and therefore plan accordingly. The Company offers customers incentives for longer term commitments and is moving its user base gradually towards operational activities.

Siemens Process Systems Engineering Limited

(formerly Process Systems Enterprise Limited)

Strategic Report

For the year ended 30 September 2020

Exchange rate risk

The Company operates in several countries and its results are impacted by changes in currency exchange rates. As far as possible revenues and costs in the same currency are offset and Siemens corporate treasury function maintain balances in various currency denominated accounts to mitigate the impact of currency fluctuations.

Covid-19

The outbreak of the COVID-19 pandemic in January 2020 has undoubtedly impacted the global economic environment in which the Company operates. Whilst there has not yet been a materially adverse effect on the Company performance, some customer decision making has understandably been delayed with the uncertainty which has reduced the revenue growth rate and it is a key factor in planning the business looking forward. This has been taken into account when considering cashflow planning scenarios.

As a knowledge-based business, employees have generally been able to work from home with little impact on their productivity. Consulting and software development activities have continued with only minor impacts from the new working arrangements. The Directors continue to monitor the situation and any impact to the business closely.

Financial key performance indicators

When we consider our future outlook and the goals we wish to achieve, we focus our attention on those areas of greatest significance to our business. We assess whether there are any potential sustainability issues relating to these areas and make a direct link between the sustainability challenges we face and our business strategy.

This report was approved by the board on 30 June 2021 and signed on its behalf by:

DocuSigned by:

BD61895552824FB...
C Pantelides
Director

Siemens Process Systems Engineering Limited

(formerly Process Systems Enterprise Limited)

Directors' Report

For the year ended 30 September 2020

Directors

The directors who served during the period were:

C Pantelides

M Matzopoulos

B McKenzie

A Noon (appointed 25 October 2019)

E Eberle (appointed 25 October 2019)

G Sturm (appointed 25 October 2019)

M Houghton (appointed 25 October 2019)

R Longdon (resigned 25 October 2019)

R Whitby-Smith (resigned 25 October 2019)

B Waldron (resigned 25 October 2019)

Dividend:

The directors do not recommend payment of a dividend for the period to 30 September 2020 (2019: nil).

Directors' responsibilities statement

The directors are responsible for preparing the Directors' report, Strategic 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 financial statements in accordance with International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union (IFRS). 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 and profit or loss of the company and Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRSs 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 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.

Third party indemnity provision:

The Company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 Companies Act 2006. Such qualifying third-party indemnity provision remains in force as at the date of approving the directors report.

Going concern:

The Company recorded an operating loss of £213,364 and an operating cash inflow of £1,196,387 for the year to 30 September 2020. The operating loss includes a gain on the disposal of a subsidiary and increased investment in research and development activities.

Siemens Process Systems Engineering Limited

(formerly Process Systems Enterprise Limited)

Directors' Report

For the year ended 30 September 2020

Going concern (continued):

The COVID-19 pandemic and the restrictions associated with it have impacted the ability to visit customers, conferences, and events during 2020 and continue through 2021. Governments in the countries in which we operate have announced and implemented measures to restrict the spread of the COVID-19 virus which have necessarily changed the way we operate with most of the impact relating to the move from office-based to home-based working for the majority of our employees. Whilst there has been some lost time and inefficiency during the transition phase, as most of our activity is computer based these losses were relatively short term and the business activity appears to have rebounded to at least pre-pandemic levels with increased revenues and product development activity. The company has not sought or had to seek government assistance through the various schemes put in place to support businesses with more challenging market and/or operational issues.

After reviewing the Company's forecasts and projections, taking into consideration the facts above and the guarantee of support from its parent organisation the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.


Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Grant Thornton UK LLP notified the Directors that they would not be seeking re-appointment. In accordance with section 485 of the Companies Act 2006 a shareholder resolution for the appointment of Ernst & Young LLP as auditor of the Company was proposed and duly passed. Following a review of Grant Thornton's files and completion on client take-on procedures, Ernst & Young LLP have accepted the appointment.

This report was approved by the board on 30 June 2021 and signed on its behalf by:

DocuSigned by:

BD61895552824FB...

C Pantelides

Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SIEMENS PROCESS SYSTEMS ENGINEERING LIMITED (FORMERLY KNOWN AS PROCESS SYSTEMS ENTERPRISE LIMITED)

Opinion

We have audited the financial statements of Siemens Process Systems Engineering Limited for the year ended 30 September 2020 which comprise Statement of Income and other comprehensive income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes 1 to 30, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards in conformity with the requirements of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 September 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006; 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 Auditor's 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 UK, including the FRC'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.

Other matters

The corresponding balances in the Statement of Income and other comprehensive income for the 9 month period ended 30 September 2019 are unaudited.

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 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. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SIEMENS PROCESS SYSTEMS ENGINEERING LIMITED (FORMERLY KNOWN AS PROCESS SYSTEMSENTERPRISE LIMITED) (Continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained with the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 there is 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

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 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 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SIEMENS
PROCESS SYSTEMS ENGINEERING LIMITED (FORMERLY KNOWN AS
PROCESS SYSTEMSENTERPRISE LIMITED) (Continued)**

Responsibilities of directors (Continued)

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.

Auditor's 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 auditor's 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 Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP

Emily Butler (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor

Reading

Date: 1 July 2021

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Statement of Income and other comprehensive income

For the year ended 30 September 2020

	Note	Year ended 30 September 2020 £	9-month period ended 30 September 2019 (Unaudited) £
Revenue	3	16,230,458	10,084,378
Cost of sales		(5,102,806)	(2,936,671)
Gross profit		11,127,652	7,147,707
Administrative expenses		(11,341,016)	(9,843,732)
(Loss) from operations	4	(213,364)	(2,696,025)
Interest receivable and similar income	7	181	-
Interest payable and similar charges	8	(42,884)	(26,319)
(Loss) on ordinary activities before taxation		(256,067)	(2,722,344)
Tax on profit on ordinary activities	9	361,347	152,923
Profit/(Loss) for the year		105,280	(2,569,421)
Other comprehensive income:			
Items that may be reclassified to profit or loss			
		-	-
Other comprehensive income for the year		-	-
Total comprehensive loss		105,280	(2,569,421)
Attributable to: Owners of the Company		105,280	(2,569,421)

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Statement of Financial Position

For the year ended 30 September 2020

	Note	30 September 2020	30 September 2019 (restated see note 16)
		£	£
Non-current assets			
Intangible assets	11	3,513,546	6,220,306
Plant, property and equipment	12	6,612,329	1,943,396
Investment in Subsidiaries	13	-	-
		10,125,875	8,163,702
Current assets			
Trade and other receivables	15	14,219,971	8,169,664
Cash and cash equivalents		877,403	2,223,495
		15,097,374	10,393,159
Current liabilities	16	(9,385,501)	(8,494,574)
Net current assets		5,711,873	1,898,585
Total assets less current liabilities		15,837,748	10,062,287
Non-current liabilities			
Accruals and deferred income	17	(7,195,860)	(3,456,157)
Deferred tax	10	(665,403)	(1,039,119)
Provisions for liabilities	18	(370,000)	(120,000)
Net assets		7,606,485	5,447,011
Equity			
Share capital	20	131,196	118,505
Share premium		4,478,240	2,436,737
Retained earnings		2,997,049	2,891,769
Shareholders' funds		7,606,485	5,447,011

The financial statements were approved and authorised for issue by the board of directors on 30 June 2021 and were signed on their behalf by:

DocuSigned by:

 BD61895552824FB...
C Pantelides
 Director

DocuSigned by:

 A6D4924462B84E7...
B McKenzie
 Director

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Statement of Cash Flows

For the year ended 30 September 2020

		Year ended 30 September 2020	9-month period ended 30 September 2019
		£	£
Cash flow from operating activities			
Profit for the year		105,280	(2,569,421)
Adjustments for:			
Currency translation differences		169,691	(270,440)
Depreciation of property, plant and equipment	12	781,830	436,819
Amortisation / Expense of intangible assets	11	2,706,760	2,423,284
Gain on sale of Subsidiary - Investing activities		(4,241,430)	-
Interest on IFRS16 Lease liability	8	41,308	26,319
Prior period subsidiary costs reversed in year		(345,035)	-
Bad debt provision		(7,365)	53,939
Taxation		(361,347)	(152,923)
Operating cash flows before movements in working capital		(1,150,308)	(52,424)
(Increase)/decrease in receivables	15	(6,050,307)	1,385,757
Group company cash pooling - Financing activities		3,385,765	-
Increase in payables and deferred income		5,011,237	2,340,594
Net cash inflow from operating activities		1,196,387	3,673,927
Cash flow from investing activities			
Purchase of plant, property and equipment	12	(5,450,763)	(2,213,765)
Purchase of intangible assets	11	-	(2,479,283)
Gain on sale of Subsidiary		4,241,430	-
Net cash outflow from investing activities		(1,209,333)	(4,693,048)
Cash flow from financing activities			
Share capital issued	23	2,054,195	-
Change in financing from other group companies		(3,385,765)	-
Interest paid	8	(1,576)	-
Net cash outflow from financing activities		(1,333,146)	-
Net decrease in cash and cash equivalents		(1,346,092)	(1,019,121)
Cash and cash equivalents at beginning of year		2,223,495	3,242,616
Cash and cash equivalents at end of year		877,403	2,223,495

Siemens AG operates a cash pooling facility across its worldwide group. Cash balances generated by entities are passed to Siemens AG and companies are able to draw down on these facilities if required. Therefore, apart from any accounts held with local banks, amounts invested with/drawn down from the Siemens AG accounts are shown as an intercompany balance. Changes in the balances on these facilities are included in cash flows from financing activities in the Statement of Cash Flows. An increase in cash that is loaned to the cash pool is shown as a cash outflow from financing activities, and an increase in cash borrowed from the cash pool is shown as a cash inflow from financing activities.

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Statement of Changes in Equity

For the year ended 30 September 2020

	Share Capital £	Share premium £	Retained earnings £	Total equity £
Balance at 1 January 2019 (as previously reported)	118,505	2,436,737	3,363,391	5,918,633
Opening balance adjustment (see note 16)	-	-	2,113,458	2,113,458
Balance at 1 January 2019 (restated)	118,505	2,436,737	5,476,849	8,032,091
Shared issued	-	-	-	-
Other comprehensive income	-	-	-	-
Loss for the year	-	-	(2,585,080)	(2,585,080)
Balance at 30 September 2019	118,505	2,436,737	2,891,769	5,447,011
Shares issued related to the exercise of share options	12,691	2,041,503	-	2,054,194
Other comprehensive income for the year	-	-	-	-
Profit for the year	-	-	105,280	105,280
Movement in year	12,691	2,041,503	105,280	2,159,474
Balance at 30 September 2020	131,196	4,478,240	2,997,049	7,606,485

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

1 General information

Siemens Process Systems Engineering Limited (the “Company”) is a private company limited by shares, registered, incorporated and domiciled in England. The company’s registered office Faraday House Sir William Siemens Square, Frimley, Camberley, Surrey, United Kingdom, GU16 8QD. On 29 April 2021 the Company changed its name from “Process Systems Enterprise Limited” to “Siemens Process Systems Engineering Limited”.

The financial statements have been prepared for the year ended 30 September 2020. The Company changed its year end from 31 December to align with the Siemens AG Company following the acquisition of Siemens Process Systems Engineering Limited by Siemens AG on 25 October 2019, therefore the comparative amounts presented in these financial statements are for the 9-month period to 30 September 2019 and are not entirely comparable.

2 Accounting policies

The financial statements have been prepared in accordance with International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union adopted pursuant to Regulation(EC) No 1606/2002 as it applies in the European Union (IFRS) and applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the company are set out below. The financial statements are presented in Sterling (£).

Basis of Preparation of financial statements

The financial statements have been prepared in accordance with IFRS, including International Accounting Standards (IAS) and International Financial Reporting Standards Interpretations Committee (IFRSIC) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

Going concern

The Company recorded an operating profit of £213,364 and an operating cash inflow of £1,196,387 for the year to 30 September 2020. The operating profit is due to the gain on the sale of a subsidiary undertaking offset by the increased investment in research and development activities.

The COVID 19 pandemic has developed rapidly in 2020. Governments in the countries in which we operate have announced and implemented of measures to restrict the spread of the COVID 19 virus. These have necessarily changed the way we operate with most of the impact relating to the move from office-based to home-based working for the majority of our employees. Whilst there has been some lost time and inefficiency during the transition phase, as most of our activity is computer based these losses were relatively short term and the business activity appears to have rebounded to at least pre-pandemic levels with increased revenues and product development activity. The Company has not sought or had to seek government assistance through the various schemes put in place to support businesses with more challenging market and/or operational issues. The Company has the ability to draw on financial support from its parent organisation with guaranteed funds of up to £9.4m available.

After reviewing the Company's forecasts and projections and taking into consideration the facts above, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Judgements and key sources of estimation uncertainty

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

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

Judgements and key sources of estimation uncertainty (continued)

involving estimates) have had the most significant effect on amounts recognised in the financial statements.

- Revenue recognition based on satisfying performance obligations;
- Capitalisation of land and buildings and research and development costs
- Impairment of land and buildings and research and development costs

Revenue

Revenue represents amounts receivable for goods and services net of VAT.

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers. Software licenses are generally sold granting rights to use the software for a fixed term including an element of post-sales support and maintenance performance obligations. Revenue from licenses is recognised as these individual performance obligations are met. Revenue associated with time and materials contracts is recognised as the costs are incurred. Revenue in relation to fixed price consulting is recognised on a percentage completion basis. The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Intangible assets

Intangible assets are stated at cost less amortisation and provision for impairment. Amortisation is disclosed in the administrative expenses cost on the statement of profit and loss and other comprehensive income. Amortisation is provided at rates calculated to write off the cost, over their expected useful lives on the following basis:

Software 3-5 years straight line

Plant, property and equipment

Plant, property and equipment are stated at cost less depreciation and provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Land and Buildings	Over the term of the underlying lease or 5 years straight line
Fixtures, fittings and equipment	Over the term of the underlying lease or 4 years straight line
Computer Equipment	2-5 years straight line

Siemens Process Systems Engineering Limited

(formerly Process Systems Enterprise Limited)

Notes to the Financial Statements

For the year ended 30 September 2020

Investments

Investments in subsidiaries are valued at cost less provision for impairment.

Impairment

Assets are assessed for indicators of impairment at each balance sheet date. Assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the asset, the estimated future cash flows of the investment have been impacted. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced by the impairment loss.

If, in a subsequent period, an amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the income statement to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Operating leases

Rentals payable under operating leases are charged to the statement of income on a straight-line basis over the lease term. Incentives provided by the lessor are credited to the income statement on a straight-line basis over the minimum lease term.

Foreign currencies

In preparing the financial statements, transactions in foreign currencies are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences are recognised in statement of comprehensive income in the period in which they arise.

Research and development

All research costs are expensed to the statement of income. Development costs are recorded where it is possible to distinguish the research phase of an internal project to create an intangible asset from the development phase otherwise the expenditure for that project is treated as if it were incurred in the research phase only.

Development expenditure is capitalised in the year in which it is incurred and carried on the statement of financial position as a non-current asset, providing management can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale.
- its intention to complete the intangible asset and use or sell it.
- its ability to use or sell the intangible asset.
- how the intangible asset will generate probable future economic benefits.
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Any costs that do not meet each and every one of these criteria are expensed to the statement of income.

Siemens Process Systems Engineering Limited

(formerly Process Systems Enterprise Limited)

Notes to the Financial Statements

For the year ended 30 September 2020

Financial Instruments

Financial Assets

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the Company does not have any financial assets categorised as FVOCI or FVTPL.

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

The company has intra-Company loans made at below market interest rates. The intra-Company loans made have a demand feature which requires the loans to be paid immediately on demand at the principal amount and therefore management do not consider that there is a material difference on the fair value of these loans at inception.

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

Impairment of financial assets**Trade and other receivables**

The Company makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been Company based on the days past due. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

Financial liabilities

The Company's financial liabilities include borrowings, trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Trade receivables

Trade receivables are recognised at fair value, less provisions for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor and probability that the debtor will enter bankruptcy or financial reorganisation are considered indicators that the trade receivable is impaired. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within administrative expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in the income statement.

Trade payables

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

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts. Any bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year. The Company has no legal or constructive obligation to make any further payments to the plan other than the contributions due.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Current tax is charged to the statement of profit or loss and other comprehensive income.

Current tax is the tax currently payable based on taxable profit for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.

Deferred tax on temporary differences associated with shares in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the statement of profit or loss and other comprehensive income.

3 Revenue

The whole of the revenue is attributable to the principal activity of the group.

A geographical analysis of revenue is as follows:

	Year ended 30 September 2020	9-month period ended 30 September 2019
	£	£
United Kingdom	2,316,811	1,295,276
Americas	4,478,354	2,114,537
Europe, Middle East & Africa (excluding UK)	6,124,845	4,374,358
Asia	3,310,448	2,300,207
	<u>16,230,458</u>	<u>10,084,378</u>

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

4 Operating profit

The operating profit is stated after charging/(crediting):

	Year ended 30 September 2020 £	9-month period ended 30 September 2019 £
Depreciation of plant, property and equipment:	781,830	436,819
Auditor's remuneration	50,000	31,500
Auditor's remuneration – tax compliance fee	-	4,450
Loss/(gain) on foreign exchange	169,691	(270,441)

5 Staff costs

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

	Year ended 30 September 2020 £	9-month period ended 30 September 2019 £
Wages and salaries	10,087,792	7,888,630
Social security costs	1,151,803	1,064,074
Other pension costs	435,620	271,474
	<u>11,675,215</u>	<u>9,224,178</u>

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

	Year ended 30 September 2020	9-month period ended 30 September 2019
Sales & marketing	36	33
Technical	97	70
Administration	19	17
	<u>152</u>	<u>120</u>

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

6 Directors' remuneration

	Year ended 30 September 2020 £	9-month period ended 30 September 2019 £
Remuneration	<u>568,073</u>	<u>2,250,050</u>
Company pension contributions to defined contribution pension schemes	<u>42,510</u>	<u>26,050</u>

During the year, retirement benefits were accruing to 3 directors (2019: 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £222,136 (2019: £885,219). The value of the company's contributions paid to a contribution pension scheme in respect of the highest paid director amounted to £13,639 (2019: £6,188).

4 directors who served during the year received remuneration from other Siemens AG group companies. These amounts are provided in the financial statements of the entity directly employing the director and it is not possible to determine how much of the remuneration relates to services provided to the Company.

The statutory directors are the only members of the management team who meet the definition of key management personnel.

7 Finance income

	Year ended 30 September 2020 £	9-month period ended 30 September 2019 £
Interest income on financial assets carried at amortised cost	<u>181</u>	<u>-</u>

8 Finance costs

Finance cost includes all interest-related income and expenses, other than those arising from financial assets at fair value through profit or loss. The following amounts have been included in the income statement line for the reporting periods presented:

	Year ended 30 September 2020 £	9-month period ended 30 September 2019 £
Interest paid on Intercompany bank overdraft	<u>1,576</u>	<u>-</u>
Interest on IFRS16 Lease liability	<u>41,308</u>	<u>26,319</u>
	<u>42,884</u>	<u>26,319</u>

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

9 Taxation

	Year ended 30 September 2020	9-month Period ended 30 September 2019
	£	£
Current Tax:		
UK corporation tax	(95)	(916,740)
Foreign income taxes	12,368	9,418
Adjustments for prior years	-	457,487
Total current tax	12,273	(449,835)
Deferred Tax:		
Origination and reversal of temporary differences - current year	(539,325)	9,396
Origination and reversal of temporary differences - prior year	95,540	287,516
Deferred tax rate change adjustment	70,050	-
Total deferred tax	(373,620)	296,912
Tax credit	(361,347)	(152,923)

Of the deferred tax expense or credit in 2020 and the deferred tax expense or credit in 2019, £373,620 and £296,912, respectively, relate to the origination and reversal of temporary differences.

For the year ended September 30, 2020 the Company was subject to UK corporation tax at a rate of 19% (September 30, 2019: 19%).

Profit before tax	(256,067)	(2,762,213)
Tax at 19% (2019: 19%)	(48,653)	(524,820)
Increase/(decrease) in income taxes resulting from:		
Fixed asset differences	-	4,401
Non-deductible losses and expenses	251,486	25,621
Research and Development tax credit	-	(685,142)
Surrender of tax losses for research and development tax credit refund	-	277,681
Tax-free gains from sales of business	(805,790)	-
Underprovided in prior years – deferred tax	95,540	287,516
Adjustments to tax charge in respect of prior periods	-	457,487
Irrecoverable foreign tax	-	(3,015)
Deferred tax rate change adjustment	70,050	-
Rate change adjustment difference between current and deferred tax rate	63,450	30,172
Movement in unrecognised deferred tax	-	(32,242)
Foreign Tax credits	12,368	9,418
Total income tax credit	(361,347)	(152,923)

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

9 Taxation (continued)**Change in corporation tax**

The standard rate of UK corporation tax is 19% and this took effect from 1 April 2017. While the 2016 Finance Act introduced a UK corporation tax rate of 17% from 1 April 2020, the Budget which took place on 11 March 2020 confirmed the rate of corporation tax will remain at 19% from 1 April 2020, thus cancelling the enacted rate reduction. As the rate reduction reversal was substantively enacted on 11 March 2020 by way of a special resolution, the 19% rate has been applied in calculating the company's closing deferred tax position.

The UK Government has since announced that the UK corporation tax rate will increase to 25% from 1 April 2023. The relevant Finance Bill is now substantively enacted in the UK Parliamentary process. Had the 25% rate been substantively enacted at the 30 September 2020 balance sheet date, the impact on the closing deferred tax balances at 30 September 2020 would have been an increase of recognised liability of approximately £211,000.

10 Deferred taxation assets and liabilities

Recognised deferred tax liabilities during the year are as follows:

	Year ended 30 September 2020 £	9-month period ended 30 September 2019 £
Accelerated capital allowances	-	-
Short term timing differences	665,403	1,039,119
	<u>665,403</u>	<u>1,039,119</u>

11 Intangible assets

	Software £
Company	
Cost	
At 1 October 2019	19,160,283
Expensed to SIOCI during year	(102,801)
At 30 September 2020	<u>19,057,482</u>
Amortisation	
At 1 October 2019	12,939,977
Charged in the year	2,603,959
At 30 September 2020	<u>15,543,936</u>
Net book amount at 30 September 2020	<u>3,513,546</u>
Net book amount at 30 September 2019	<u>6,220,306</u>

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

12 Plant, property and equipment

	Land and buildings	Fixtures, fittings and computer equipment	Total
Cost	£	£	£
At 1 October 2019	2,475,558	835,175	3,310,733
Additions	4,788,884	661,879	5,450,763
At 30 September 2020	7,264,442	1,497,054	8,761,496
Depreciation			
At 1 October 2019	712,970	654,367	1,367,337
Provided in the year	620,610	161,220	781,830
At 30 September 2020	1,333,579	815,587	2,149,167
Net book amount at 30 September 2020	5,930,863	681,466	6,612,329
Net book amount at 31 December 2019	1,762,588	180,808	1,943,396

13 Investment in Subsidiaries

Company Cost or valuation	Investments in subsidiary companies £
At 30 September 2019 and 30 September 2020	-
Net book value	
At 30 September 2019 and 30 September 2020	-

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

14 Subsidiary undertakings

Company name	Registered office	Percentage shareholding		Notes
		2020	2019	
Siemens Process Systems Engineering Inc	1209 Orange Street, 198110-1120 Wilmington, DE-Newcastle, Delaware, United States	0	100	Sold during the year
Siemens Process Systems Engineering Limited (Korea)	15F, 239, Daedeok-daero, Seogu, 35229 Daejeon, Daejeon Gwang'yeoksi Republic of Korea	100	100	Sold after the year end
PSE Oil & Gas Limited	Faraday House Sir William Siemens Square Frimley, Camberley Surrey GU16 8QD	0	100	Dissolved 6 October 2020
BlueWatt Engineering Sarl	Innovation Park EPFL Bâtiment C 1015 Lausanne Switzerland	100	100	No Change
PSE Software and Consulting LLC	Floor 13 Makeen Tower, 35243 Corner of 9th and 10th Street Abu Dhabi United Arab Emirates	49	49	No Change
PSE (Europe) B.V.	Weena 290 10th floor 3012 NJ Rotterdam Netherlands	0	100	Dissolved during the year

Siemens Process Systems Engineering Inc was sold on 22 September 2020 to Siemens Aktiengesellschaft.

Siemens Process Systems Engineering Limited (Korea) was sold on 1 October 2020 to Siemens Industry Software Ltd (Korea).

PSE Oil & Gas Limited and PSE (Europe) BV did not trade and were formally dissolved on 6 October 2020.

The principal activity of all remaining subsidiaries is the development, sale and support of gPROMS based software products and solutions and provision of consulting services.

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

15 Trade and other receivables

	2020	2019
	£	£
Trade receivables	1,740,664	4,590,294
Amounts owed by other group undertakings	5,613,319	379,479
Group company cash pooling	3,385,765	-
Other debtors	255,503	129,739
Prepayments and accrued income	2,329,972	1,240,299
Tax recoverable	894,748	1,829,923
	14,219,971	8,169,664

16 Current liabilities

	2020	2019 (restated)	2019 (as previously reported)
	£	£	£
Trade payables	1,012,956	469,437	469,437
Other taxation and social security	(23,186)	1,319,409	1,319,409
Amounts owed to other group undertakings	2,968,368	938,340	938,340
Lease liabilities	1,049,515	416,326	416,326
Accruals and deferred income	4,377,848	5,351,063 ⁽¹⁾	7,464,521
	9,385,501	8,494,575	10,608,033

- ⁽¹⁾ Accruals and deferred income have been restated in 2019 to remove balances amounting to £2,113,458 that should have been reflected in the books and records of subsidiary undertakings but were included in the parent in error. This error occurred prior to 2018 and in assessing the impact on the 2019 income statement it was considered not to be material and as such the 2019 income statement was not restated.

17 Non-current liabilities

	2020	2019
	£	£
Accruals and deferred income	2,895,212	1,990,901
Lease liabilities	4,300,648	1,465,256
	7,195,860	3,456,157

18 Leases

Lease liabilities are presented in the statement of financial position within the creditor line items as follows:

	2020 £
Current	1,049,515
Non-current	4,300,648
	5,350,163

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

18 Leases (continued)

The Company has leases for the main offices. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Company sales) are excluded from the initial measurement of the lease liability and asset. The company classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see Note 12).

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right of use asset	No of right of use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of leases with option to purchase	No of leases with variable payments linked to an index	No of leases with termination options
Office building	2	4-5 Years	5 years	0	0	0	0

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 30 September 2020 were as follows:

30 September 2020	Within 1 year	1-2 years	2-3 years	3-4 years	After 5 years	Total
Lease payments	1,049,515	1,368,176	1,368,176	1,091,500	472,796	5,350,163
Finance charge	(64,429)	(47,818)	(29,860)	(12,547)	(1,967)	(156,621)
Net present values	985,087	1,320,358	1,338,316	1,078,953	470,829	5,193,543

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

18 Leases (continued)

Subsequent to year end, the Company moved to a larger demise within the same building which had been acquired during the financial year. The office leases for the vacated space were terminated on 9th November 2020.

19 Provisions for liabilities

	2020 £	2019 £
Dilapidations provision	370,000	120,000
	<u>370,000</u>	<u>120,000</u>

20 Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
13,119,591 (2019: 11,580,500) Ordinary shares of £0.01 each	<u>131,196</u>	<u>118,505</u>

Rights attaching to ordinary shares

Ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

21 Share option plan

Until the acquisition of the Company by Siemens, the Company had a share option scheme for all employees and directors. Options were exercisable at a price determined based on the estimated market value at the time of issue. The terms of the scheme were such that all outstanding options became exercisable in the event of acquisition and all option holders elected to exercise all their options on the acquisition of the Company by Siemens AG. The option scheme has been terminated and there are no outstanding options or obligations.

	2020 Number	2019 Number
Outstanding at the beginning of the period	1,271,400	812,900
Granted during the period	-	558,500
Exercised during the period	1,271,400	-
Forfeited during the period	-	100,000
	<u>-</u>	<u>1,271,400</u>
Outstanding at the period end	-	1,021,155
Exercisable at the period end	-	<u>1,021,155</u>

Siemens Process Systems Engineering Limited**(formerly Process Systems Enterprise Limited)**

Notes to the Financial Statements

For the year ended 30 September 2020

22 Pensions

The company operates a defined contribution 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 £435,620 (2019 -9 months: £271,474). There are no outstanding contributions at the balance sheet date (2019: £nil).

23 ReservesShare premium

Share premium is the amount by which the fair value of the consideration received for shares exceeds the nominal value of the shares issued set off for associated transaction costs.

Retained earnings.

Retained earnings are the carrying forward earnings of the business from previous periods.

24. Related party transactions

Transactions between the Company and its subsidiaries and associates are disclosed below

(a) During the year, the Company entered into the following transactions with related parties:

	Sales		Purchases	
	Year ended 30 September 2020	9-month period ended 30 September 2019	Year ended 30 September 2020	9-month period ended 30 September 2019
Subsidiaries	2,153,367	1,951,350	1,689,286	617,775
Other Siemens group companies	115,345	-	527,450	-
Redino Limited	-	-	15,750	15,000
Albion Ventures LLP	-	-	1,096	12,000
Ayresome Limited	-	-	-	10,000

Redino Limited – a company controlled by R Longdon, former company director.

Albion Ventures LLP – former company shareholder. R Whitby Smith, a former company director, is a partner of Albion Ventures LLP.

Ayresome Limited – a company controlled by B J Waldron, former company director

(b) Year end balances arising from loans to / from related parties:

	Amounts owed by related parties		Amounts owing to related parties	
	2020	2019	2020	2019
Subsidiaries	5,613,332	2,944,030	2,968,368	938,340
Other Siemens group companies	-	-	-	-
Redino Limited	-	-	-	-
Albion Ventures LLP	-	-	-	-
Ayresome Limited	-	-	-	-

Siemens Process Systems Engineering Limited

(formerly Process Systems Enterprise Limited)

Notes to the Financial Statements

For the year ended 30 September 2020

25 Capital management policies and procedures

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide for future adequate returns to shareholders

The Company monitors capital on the basis of the carrying amount of equity less unrestricted cash and cash equivalents.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and its project development strategy. To maintain or adjust the capital structure, the Company may issue new shares or agree further borrowings.

26 Fair value of financial instruments

The company has no material financial instruments that are carried at fair value.

27 Ultimate parent undertaking

The ultimate parent undertaking is Siemens AG, incorporated in Germany. Siemens AG is the only group undertaking of which the Company is a member for which group financial statements are prepared.

Copies of the group financial statements are available on the internet at

<http://www.siemens.com/annualreport> or obtained from:

Siemens AG
Werner-von-Siemens-Strasse 1
D-80333 Munich
Germany

The immediate parent undertaking is Siemens Holdings plc, a company incorporated in England and Wales.

28 Capital commitments

The Company had capital commitments of £450,000 for leasehold improvements committed and not completed as at 30 September 2020. The company had no capital commitments as 30 September 2019.

29 Contingent assets and liabilities

There were no material contingent assets or liabilities at 30 September 2020 or 30 September 2019.

Siemens Process Systems Engineering Limited

(formerly Process Systems Enterprise Limited)

Notes to the Financial Statements

For the year ended 30 September 2020

30 Subsequent events

As a result of the global outbreak of the COVID-19 Pandemics in January 2020 the directors continue to monitor the situation closely, they do not consider that the impact of COVID 19 after the reporting period has a material impact on the results as reported in these financial statements as it is considered to be a non-adjusting event. It is not possible to estimate the impact of COVID-19 on the Company at this time.

The Company changed its name from “Process Systems Enterprise Limited” to “Siemens Process Systems Engineering Limited” on 29 April 2021.

Siemens Process Systems Engineering Limited (Korea) was sold on 1 October 2020 to Siemens Industry Software Ltd (Korea).