

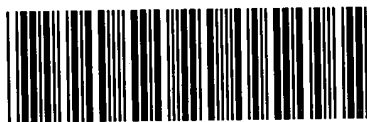
Registered number: 00872110

Rockwell Automation Limited

Annual report and financial statements

for the year ended 30 September 2016

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Rockwell Automation Limited

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Company Registration No. 00872110

Company information

Directors

K Maharaj
W J Quinn
A K Suttle
M C Bottemley

Registered office

Pitfield
Kiln Farm
Milton Keynes
MK11 3DR

Bankers

Deutsche Bank
6 Bishopgate
London
EC2P 2AT

Auditor

Deloitte LLP
Chartered Accountants & Statutory Auditor
Cambridge
United Kingdom

Rockwell Automation Limited

Strategic report

The directors present their strategic report for the year ended 30 September 2016.

Review of the business

Rockwell Automation Limited is a subsidiary of Rockwell Automation Canada and Rockwell European Holdings Ltd, companies incorporated in the United Kingdom and Canada. The ultimate parent company and controlling entity is Rockwell Automation Inc., which is incorporated in Delaware, in the United States of America.

The principal activity of the company is provision of electronic automation and control equipment and solutions for industrial applications acting as a sales and marketing agent, manufacturer and assembler.

Business Model

The company operates partly under a principal commissionaire structure and an entrepreneurial business.

Key performance indicators

As shown in the company's profit and loss account on page 9, the company's 12 month period sales have decreased to £62,442k from £69,257k in the prior year. The operating profit for the year is £17,998k compared to an operating profit in the prior year of £15,043k. The reduction in sales is due to economic environment in existence in Europe especially in the oil and gas sector. The operating profit shows a marginal increase as a result of other operating income of £1.5m (FY15: 0) mainly driven by the disposal of the joint venture in the Middle East.

The balance sheet on page 11 of the financial statements shows that the company's net assets at the year-end have increased by £13,821k, from £55,794k to net assets of £69,615k.

Rockwell Automation Limited

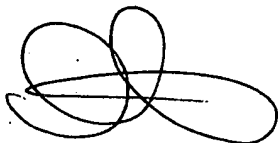
Strategic report (continued)

Principal risks and uncertainties

Rockwell Automation Limited is a wholly owned subsidiary, whose ultimate parent is Rockwell Automation Inc., a company incorporated in USA. The company and fellow European subsidiaries operate as part of the group's European region. The principal risk factors are:

- A downturn in the worldwide general economic climate and any subsequent impact on capital investment could have an adverse effect on the financial operational performance of the Company. In addition, certain markets in which the business operates are subject to geo-political risk and as such are difficult to predict. To mitigate this risk, the Company with its parent has a worldwide presence and has a variety of channels to market;
- The Company operates in an environment in which technological advances could impact future business performance. The Company now owns the intellectual property rights to the products that it sells;
- The Company has transactions in a number of foreign currencies. This exposes the business to both transactional currency risks (being exchange gains and losses arising on buying and selling in foreign currencies) and translational currency risks (being exchange gains and losses arising on the retranslation of foreign denominated assets and liabilities to period end rates). The Company operates a foreign exchange policy designed to manage the impact of both these risks;
- The success of the Company is dependent on recruiting, retaining and developing appropriately skilled, competent personnel at all levels. The Company has a remuneration policy designed to attract, motivate and retain individuals of the calibre required as well as a policy of developing skills within the business through graduate and apprentice programs; and
- The Company has a range of key performance indicators to monitor the progress of the business and has a policy of involving key management within a regular review process. This process includes the measurement of success against agreed targets, validation of the control environment and the monitoring of agreed action plans for the development and control of the business. The management review process provides a basis for early warning indicators in respect of the key Risk Factors.

For and on behalf of the Board



K Maharaj
Director

20 January 2017

Pitfield
Kiln Farm
Milton Keynes
MK11 3DR

Rockwell Automation Limited

Directors report

The directors present their annual report on the affairs of Rockwell Automation Limited ('the Company'), together with the financial statements and auditor's report, for the year ended 30 September 2016.

Going Concern

The Directors have acknowledged the latest guidance on going concern and in reaching their conclusions have taken into account factors including financing and future performance.

The Directors have appropriately considered the company's risks and uncertainties, which are described in full above.

After making due enquiries and taking account of possible changes in trading performance, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Results & Dividends

The profit after taxation for the year ended 30 September 2016 amounted to £11,384k (2015: £11,524k).

The directors recommend no dividend to be paid for the year. (2015: £4,000k).

Future developments

As of the balance sheet date, and the presentation of these financial statements, for the foreseeable future the business activities are expected to remain the same.

Events after the balance sheet date

Details of significant events since the balance sheet date are contained in note 25 to the financial statements.

Research and development

During 2016 the Company's incurred expenditure on R&D projects related to safety enhancement's to controllers ranges. Consistent with prior years, the company has expensed these costs.

Existence of branches outside the UK

The company has no branches, as defined in section 1046(3) of the Companies Act 2006, outside the UK.

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The Company does not use derivative financial instruments for speculative purposes.

Cash flow risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company chooses not to hedge these exposures due to the group strategy.

Credit risk

The Company's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The Company's credit risk is primarily attributable to a defined benefits pension scheme.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Rockwell Automation Limited

Directors report

Directors

The directors, who served throughout the year except as noted, were as follows:

K Maharaj

W J Quinn

A K Suttle

M C Bottemley

Director's indemnities

The Company has not made qualifying third party indemnity provisions for the benefit of its directors.

Political contributions

No Political donations were made by the company during the year.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through formal and informal meetings, the Company magazine and a special edition for employees of the annual financial statements. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

Auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board and signed on its behalf by:

K Maharaj
Director

20 January 2017

Registered office
Pitfield
Kiln Farm
Milton Keynes
MK11 3DR

Directors Responsibility statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, FRS 102 and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of Rockwell Automation Limited

We have audited the financial statements of Rockwell Automation Limited for the year ended 30 September 2016 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Lee Welham (senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge UK

23 January 2017

Rockwell Automation Limited

Profit and loss account

For the year ended 30 September 2016

		2016 £'000	2015 £'000 <i>Restated</i> <i>See note 27</i>
	Note		
Turnover	3	62,442	69,257
Cost of sales		(19,277)	(26,075)
Gross profit		43,165	43,182
Distribution costs		(14,190)	(13,953)
Administrative expenses		(12,529)	(14,186)
Other operating income		1,552	-
Operating profit		17,998	15,043
Finance costs (net)	4	(525)	(754)
Profit on ordinary activities before taxation	5	17,473	14,289
Tax on profit on ordinary activities	9	(6,089)	(2,765)
Profit for the financial year attributable to the equity shareholders of the Company		11,384	11,524

Rockwell Automation Limited

Statement of comprehensive income

For the year ended 30 September 2016

		2016 £'000	2015 £'000 <i>Restated</i> <i>See note 27</i>
	Note		
Profit for the financial year		11,384	11,524
Re-measurement of net defined benefit liability	23	2,559	(2,891)
Tax relating to components of other comprehensive income	23	(435)	491
Other comprehensive income/(loss)	23	2,124	(2,400)
Total comprehensive income attributable to equity shareholders of the Company		13,508	9,124

Rockwell Automation Limited

Balance sheet

At 30 September 2016

	Note	2016 £'000	2015 £'000
Fixed assets			
Goodwill & Intangible assets	12	32,111	34,486
Tangible assets	13	2,297	2,947
		<u>34,408</u>	<u>37,433</u>
Current assets			
Stocks	15	1,155	1,309
Debtors	16	26,625	32,076
Investments	17	23,000	23,000
Cash at bank and in hand		25,430	15,340
		<u>76,210</u>	<u>71,725</u>
Creditors: amounts falling due within one year	18	<u>(10,466)</u>	<u>(19,704)</u>
Net current assets		<u>65,744</u>	<u>52,021</u>
Total assets less current liabilities			
Provisions for pension liability	19	(27,997)	(31,060)
Provisions for liabilities	20	(2,540)	(2,599)
Net assets		<u>69,615</u>	<u>55,794</u>
Capital and reserves			
Called-up share capital	21	19,845	19,845
Share premium account		9,853	9,853
Equity reserve		4	4
Profit and loss account		39,914	26,092
Shareholders' funds		<u>69,615</u>	<u>55,794</u>

The financial statements of Rockwell Automation Limited (registered number 00872110) were approved by the board of directors and authorised for issue on 20 January 2017. They were signed on its behalf by:



K. Maharaj
Director

Rockwell Automation Limited

Statement of changes in equity Year ended 30 September 2016

	Called-up share Capital £'000	Share Premium account £'000	Equity Reserve £'000	Profit and loss account £'000	Total £'000
At 30 September 2014	19,845	9,853	4	20,613	50,315
Profit for the financial year	-	-	-	11,524	11,524
Dividend	-	-	-	(4,000)	(4,000)
Re-measurement of net defined benefit liability	-	-	-	(2,891)	(2,891)
Tax relating to items of other comprehensive income	-	-	-	491	491
Credit to equity for equity settled share-based payment	-	-	-	355	355
At 30 September 2015	19,845	9,853	4	26,092	55,794
Profit for the financial year	-	-	-	11,384	11,384
Re-measurement of net defined benefit liability	-	-	-	2,559	2,559
Tax relating to items of other comprehensive income	-	-	-	(435)	(435)
Total comprehensive income	-	-	-	39,600	69,615
Credit to equity for equity settled share-based payment	-	-	-	313	313
At 30 September 2016	19,845	9,853	4	39,913	69,615

Rockwell Automation Limited

Notes to the financial statements

For the year ended 30 September 2016

1. Accounting Policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

a. General information and basis of accounting

Rockwell Automation Limited ('the Company') is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on pages 2 to 3.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The prior year financial statements were restated for material adjustments on adoption of FRS 102 in the current year. For more information see note 27.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of its parent, Rockwell Automation Bv, which may be obtained at Rivium Promenade 160 Capelle aan den IJssel, 2909 LM, Netherlands. Exemptions have been taken in these separate Company financial statements in relation to share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

b. Going concern

The financial statements have been prepared using the going concern basis of accounting.

The Directors have acknowledged the latest guidance on going concern and in reaching their conclusions have taken into account factors including financing and future performance.

The company operates a defined benefits pension scheme, which is in deficit. The Directors have received a letter of support from Rockwell Automation Inc., the ultimate holding company, and this includes support to meet the pension obligations.

After making due enquiries and taking account of possible changes in trading performance, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

c. Intangible assets – research and development

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is capitalised as an intangible asset and amortised over the period during which the Company is expected to benefit. This period is between three and five years. Provision is made for any impairment.

d. Intangible assets – Goodwill

Goodwill is the excess of purchase consideration over the fair value of the net assets acquired and amortised in equal annual instalments over a period of 20 years which is their estimated useful economic life. Provision is made for any impairment.

Intangible assets acquired as part of a business combination are measured at fair value at the acquisition date.

Rockwell Automation Limited

Notes to the financial statements

For the year ended 30 September 2016

1. Accounting policies (continued)

e. *Tangible fixed assets*

Tangible assets are stated at cost or valuation, net of depreciation and any provision for impairment.

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

Leasehold improvements - over the life of the lease

Plant and machinery - 5 years

Motor vehicles - 3 years

Fixtures and fittings - 3 years

Freehold land is not depreciated.

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

f. *Financial instruments*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

g. *Investments*

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

h. *Stocks*

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

i. *Impairment of assets*

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Rockwell Automation Limited

Notes to the financial statements For the year ended 30 September 2016

1. Accounting policies (continued)

Financial assets

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

j. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously,

Rockwell Automation Limited

Notes to the financial statements

For the year ended 30 September 2016

1. Accounting policies (continued)

in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

k. Turnover

Turnover is stated net of VAT and trade discounts and includes the following:

Entrepreneurial Product Sales:

The revenue from the sale of goods is recognised when the goods are physically delivered to the customer and the significant risks and rewards of ownership are transferred to the buyer.

Engineering & Design Service Agreement, Services Rendered, Investment Management Fees, and the Commissionaire fee:

Turnover from the supply of these services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable.

l. Employee benefits

The company contributes to various defined contribution personal pension plans on behalf of its employees. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the schemes.

For the defined benefit scheme the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

The defined benefit scheme is funded, with the assets of the scheme held separately from those of the company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

m. Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- Exchange differences on transactions entered into to hedge certain foreign currency risks (see above).

Rockwell Automation Limited

Notes to the financial statements For the year ended 30 September 2016

1. Accounting policies (continued)

n. Leases

Lease Assets: lessee

All leases are treated as operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

Lease Assets: lessor

All leases are treated as operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

o. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

p. Share-based payment

The company has applied the requirements of FRS 102 Share-based Payment. In accordance with the transitional provisions, FRS 102 has been applied to all grants of equity instruments to the company's employees by Rockwell Automation Inc. after 7 November 2002 that were unvested as of 1 October 2006.

Equity-settled payments are made to certain employees. Equity-settled share based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

Fair value is measured by use of the Black-Scholes pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Rockwell Automation Limited

Notes to the financial statements

For the year ended 30 September 2016

2. Critical accounting judgements and key sources of estimation uncertainty (continued)

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key area of critical judgement

In determining the pension valuation under FRS102 key assumptions and judgement was applied in the actual valuation, as it relates to mortality tables, future improvements, the annual caps and floors in applying the relevant RPI and CPI rates.

Key source of estimation uncertainty – impairment of intangible assets

Determining whether intangible assets are impaired requires an estimation of their value in use to the Company. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the intangible asset and a suitable discount rate in order to calculate present value. The nature, facts and circumstance of the investment drives the valuation methodology.

3. Turnover

Turnover is attributable to the provision of electronic automation, control equipment, and solutions for industrial applications products.

Under the current business structure of the company turnover is further classified into the following income groups:

	2016 £'000	2015 £'000 <i>Restated</i> <i>See note 27</i>
Entrepreneurial Product Sales	14,281	18,661
Engineering & Design Service Agreement	1,374	-
Royalty on IP Ownership	10,523	7,847
Services Rendered	18	32
Investment Management Fees	689	843
Commissionaire Agreement	35,557	41,874
Turnover	62,442	69,257

An analysis of the Company's Commissionaire Agreement revenue is as follows:

Commissionaire Sales recorded in the Principal*	114,831	129,257
Commissionaire Fee on Agent Sales	1,722	1,939
Commercial Expense Reimbursement	31,361	37,010
Commission Fee on Product Support	2,474	2,925
Commissionaire Agreement revenue	35,557	41,874

Rockwell Automation Limited

Notes to the financial statements For the year ended 30 September 2016

3. Turnover (continued)

An analysis of the Company's turnover by geographical market is set out below.

	2016 £'000	2015 £'000 <i>Restated</i> <i>See note 27</i>
Turnover:		
UK	74	545
Asia and the Far East	1,203	3,202
Middle East	826	1,289
Europe (excluding UK)	38,825	46,011
Americas	21,509	18,200
Rest of World	5	9
	<u>62,442</u>	<u>69,257</u>

4. Finance costs (net)

	2016 £'000	2015 £'000 <i>Restated</i> <i>See note 27</i>
Interest payable and similar charges	-	(298)
Less: Investment income	(555)	30
Other finance costs/(income)	1,080	1,022
	<u>525</u>	<u>754</u>

Investment income

	2016 £'000	2015 £'000
Income from current asset investments (see note 17):		
Money Markets & Deposits	553	31
Other interest receivable and similar income	3	-
	<u>556</u>	<u>31</u>

Interest payable and similar charges

	2016 £'000	2015 £'000
Other loans	-	(298)

Rockwell Automation Limited

Notes to the financial statements

For the year ended 30 September 2016

4. Finance costs (net) (continued)

Other finance costs (income)

	2016 £'000	2015 £'000 <i>Restated See note 27</i>
Net interest on defined benefit liability (see note 23)	1,080	1,022

5. Profit on ordinary activities before taxation

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

	2016 £'000	2015 £'000
Depreciation of tangible fixed assets (note 13)	412	233
Amortisation of intangible assets (note 12)	2,374	2,523
Impairment of intangible assets (note 12)	-	1,289
Research and development	3,497	3,448
Operating lease rentals	3,377	3,552
Foreign exchange gain	(1,200)	(839)
Cost of stock recognised as an expense	8,594	12,912
Impairment of stock recognised as an expense	-	128
Reversal of impairment of stock	(324)	-

6. Auditor's remuneration

Fees payable to Deloitte LLP and their associates for the audit of the Company's annual accounts were £70,456 (2015: £85,000).

On 29 September 2016 the members of the Company approved the principal terms and conditions presented with the Deloitte LLP engagement letter for the 2016 audit.

Rockwell Automation Limited

Notes to the financial statements

For the year ended 30 September 2016

7. Staff numbers and costs

The average monthly number of employees (including executive directors) was:

	2016	2015
Production and operations	399	488
Selling, distribution and administration	357	252
	<u>756</u>	<u>740</u>

Their aggregate remuneration comprised:

	2016 £'000	2015 £'000
Wages and salaries	32,001	36,130
Social security costs	4,782	4,189
Other pension costs (see note 23)	5,597	6,489
	<u>42,380</u>	<u>46,808</u>

'Other pension costs' includes only those items included within operating costs. Items reported elsewhere have been excluded.

Rockwell Automation Limited

Notes to the financial statements

For the year ended 30 September 2016

8. Directors' remuneration and transactions

	2016 £'000	2015 £'000
Aggregate emoluments (excluding pension contributions)	301	346
Company pension contributions to money purchase schemes	17	17
	<u>318</u>	<u>363</u>
	2016	2015
The number of directors who:		
Are members of a defined benefit pension scheme	1	1
Are members of a money purchase pension scheme	1	1
Exercised options over shares in the parent company	1	1
Had awards receivable in the form of shares in the parent company under a long-term incentive scheme	1	1
	<u>4</u>	<u>4</u>
	2016 £'000	2015 £'000
Remuneration of the highest paid director:		
Emoluments	252	293
Company contributions to defined benefit pension schemes	13	12
	<u>265</u>	<u>305</u>

The highest paid director did exercise share options in the year.

The highest paid director is a member of the Company's defined benefit pension scheme.

Rockwell Automation Limited

Notes to the financial statements For the year ended 30 September 2016

9. Tax on profit on ordinary activities

The tax charge comprises:

	2016 £'000	2015 £'000
Current tax on profit on ordinary activities		
UK corporation tax	3,423	3,617
Adjustments in respect of prior years		
UK corporation tax	(222)	(1,047)
Total current tax	3,201	2,570
Deferred tax		
Origination and reversal of timing differences	179	195
Effect of increase in tax rate on opening liability	2,524	-
Effect of a change in the tax status of the entity or its shareholders	185	-
Total deferred tax	2,888	195
Total tax on profit on ordinary activities	6,089	2,765

The standard rate of tax applied to reported profit on ordinary activities is 20 per cent (2015: 20.5 per cent). The applicable tax rate has changed following the substantive enactment of the Finance Act 2016.

There is no expiry date on timing differences, unused tax losses or tax credits.

Rockwell Automation Limited

Notes to the financial statements For the year ended 30 September 2016

9. Tax on profit on ordinary activities (continued)

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2016 £'000	2015 £'000
Profit on ordinary activities before tax	17,473	14,289
Tax on profit on ordinary activities at standard UK corporation tax rate of 20 per cent (2015: 20.5 per cent)	3,329	3,328
Effects of:		
- Expenses not deductible for tax purposes	132	13
- Income not taxable in determining taxable profit	(310)	(123)
- Adjustments to tax charge in respect of previous periods	2,302	(1,370)
- Tax rate changes	183	-
- Share options	(23)	73
- Amortization of Goodwill	475	751
- Withholding Tax	-	93
Total tax charge for period	6,089	2,765

10. Dividends on ordinary shares

	2016 £'000	2015 £'000
Amounts recognised as distributions to equity holders in the period:		
Final dividend for the year ended 30 September 2015	-	4,000
	-	4,000

11. Share-based payments

The ultimate parent company, Rockwell Automation Inc., operates a stock option scheme in which certain directors and employees of the group may be granted non-qualified and incentive stock options to purchase common stock. The options are exercisable at a price equal to the fair value of the stock on grant dates. The exercise price for some options granted under the plans may be paid in cash, shares of common stock or a combination of cash and shares. Stock options expire ten years after the grant date and vest rateably over three years.

Rockwell Automation Limited

Notes to the financial statements For the year ended 30 September 2016

11. Share Based Payments (continued)

Details of the stock options granted to employees of Rockwell Automation Limited are as follows:

	2016	2016	2015	2015
	Number of stock options	Weighted Average Exercise Price (in £)	Number of stock options	Weighted Average Exercise Price (in £)
Outstanding at beginning of the year	85,494	53.63	74,960	47.28
Transferred in	2,670	74.64	800	47.28
Transferred out	(15,755)	53.63	-	-
Granted during the year	22,040	67.15	14,910	71.88
Exercised during the year	(10,951)	50.47	(5,176)	41.99
Forfeited during the year	(700)	67.15	-	-
Outstanding at the end of the year	<u>82,798</u>	<u>58.17</u>	<u>85,494</u>	<u>53.63</u>
Exercisable at the end of the year	<u>44,017</u>		<u>38,268</u>	

The per-share weighted average fair value of stock options granted during the years ended 30 September 2016, 2015 and 2014 was \$21.28, \$26.70 and \$34.03, respectively. The total intrinsic value of stock options exercised was \$21.9 million, \$46.1 million and \$108.1 million during 2016, 2015 and 2014, respectively. We estimated the fair value of each stock option on the date of grant using the Black-Scholes pricing model which we believe is the most appropriate and acceptable financial modelling valuation system for our company using the following assumptions:

	2016	2015
Average risk-free interest rate	1.76%	1.61%
Expected dividend yield	2.78%	2.25%
Expected volatility	0.29	0.31
Expected term (years)	5.1	5.1

The average risk-free interest rate is based on the five-year U.S. treasury security rate in effect as of the grant date. The expected dividend yield is based on the expected annual dividend as a percentage of the market value of Rockwell Automation Inc.'s common stock as of the grant price. We determined expected volatility using a weighted average of daily historical volatility of the stock price over the most recent period corresponding to the expected term as of the grant date. We determined the expected term of the stock options using historical data adjusted for the estimated exercise dates of unexercised options.

Rockwell Automation Limited

Notes to the financial statements

For the year ended 30 September 2016

11. Share Based Payments (continued)

The company recognised share-based compensation expenses relating to vested options of £ 313,813 and £332,119 in 2016 and 2015 respectively. This calculated using a weighted average exercise price for each option of \$21.28 and \$26.70 for 2016 and 2015 respectively, and converting to sterling using moving average exchange rates for each year.

12. Intangible fixed assets

	Goodwill
Cost	£'000
At 1 October 2015	45,871
	<hr/>
As at 30 September 2016	45,871
Amortisation	
At 1 October 2015	(11,385)
Charge for the year	(2,375)
	<hr/>
At 30 September 2016	(13,760)
Net book value	
At 30 September 2015	34,486
	<hr/>
At 30 September 2016	32,111
	<hr/>

EJA, a 100% subsidiary of Rockwell Automation Inc, which was purchased in 2011, is considered material to the Company. The carrying amount as at 30 September 2016 was £24,500k (30 September 2015: £26,250k) and the brand has an estimated remaining useful life of 14 years.

The Lektronix brand, which was purchased in 2012, is considered material to the Company. The carrying amount as at 30 September 2016 was £7,611k (30 September 2015: £8,236k) and the brand has an estimated remaining useful life of 15 years.

Rockwell Automation Limited

Notes to the financial statements

For the year ended 30 September 2016

13. Tangible fixed assets

	Leasehold improvements £'000	Freehold land and buildings £'000	Plant and machinery £'000	Assets in the course of construction £'000	Fixtures and Fittings £'000	Total £'000
<i>Cost</i>						
At 1 October 2015	1,941	841	3,308	531	529	7,150
Additions	6	-	67	114	-	187
Transfers	226	-	317	(543)	-	-
Disposals	-	(23)	(295)	(9)	-	(327)
At 30 September 2016	2,173	818	3,397	93	529	7,010
<i>Depreciation</i>						
At 1 October 2015	1,226	319	2,304	-	353	4,202
Charge for the year	202	22	165	-	23	412
Adjustments	26	-	60	-	13	99
At 30 September 2016	1,454	341	2,529	-	389	4,713
<i>Net book value</i>						
At 30 September 2016	719	477	868	93	140	2,297
At 30 September 2015	715	522	1,003	531	176	2,947

14. Fixed asset investments

Investments

Details of the principal investments in which the company holds more than 10% of the nominal value of any class of share capital are as follows:

Subsidiaries	Business	Country of incorporation	Class of capital	Proportion of shares and voting rights
Silvertch Middle East FZCO	Control systems	UAE	Ordinary shares of AED 100,000 each	50%
Magnemotion UK Limited	Dormant	Great Britain	Ordinary shares of £1 each	100%

Rockwell Automation Limited

Notes to the financial statements For the year ended 30 September 2016

14. Fixed asset investments (continued)

Subsidiary undertakings

	Shares in subsidiaries £'000
Cost	
At 1 October 2015	353
Disposal	(83)
	<hr/>
At 30 September 2016	270
	<hr/>
Impairment	
At 1 October 2015	(353)
Disposal	83
	<hr/>
At 30 September 2016	(270)
	<hr/>
Net book value	
At 30 September 2015	-
	<hr/>
At 30 September 2016	-
	<hr/>

Rockwell Automation Limited divested in ICS Middle East Company joint venture this year.

100% of the ordinary share capital of Magnemotion UK Limited has been treated as a subsidiary undertaking because the Company controls this investment, directing its financial and operating policies so as to obtain benefits from its activities. The assets of the company have been integrated into RAL and Magnemotion UK Limited is in the final stages of being struck off.

15. Stocks

	2016 £'000	2015 £'000
Raw materials and consumables	495	540
Work in progress	5	55
Finished goods and goods for resale	655	714
	<hr/>	<hr/>
	1,155	1,309
	<hr/>	<hr/>

16. Debtors

	2016 £'000	2015 £'000
Amounts falling due within one year:		
Trade debtors	118	174
Amounts owed from group undertakings	20,028	21,493
Other Debtors	103	82
Deferred Income Taxes (see below)	5,359	9,519
Prepayments and accrued income	1,017	808
	<hr/>	<hr/>
	26,625	32,076
	<hr/>	<hr/>

Rockwell Automation Limited

Notes to the financial statements For the year ended 30 September 2016

16. Debtors (continued)

Deferred tax

Deferred tax is provided as follows:

	2016 £	2015 £
Accelerated capital allowances	320	1,930
Tax losses available		
Pensions	4,760	6,212
Other timing differences	280	1,377
Provision for deferred tax	5,359	9,519

Deferred tax assets and liabilities are offset only where the Company has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity or another entity within the Company.

17. Current asset investments

	2016 £'000	2015 £'000
Listed investments – money markets	23,000	23,000
	23,000	23,000

18. Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	3,674	3,290
Amounts owed to group undertakings	480	7,338
Corporation tax	2,708	244
Other taxation and social security	1,758	6,637
Accruals and deferred income	1,789	2,195
Defined contribution pension scheme accrual	22	-
	10,431	19,704

19. Provision for pension liability

	2016 £'000	2015 £'000
Defined benefit pension liability	23 (27,997)	(31,060)

The balance is the pension liability of the group defined benefit scheme for qualifying employees. The most recent actuarial valuation of the Rockwell Automation Pension Scheme was carried out at 30 September 2016 by a qualified actuary.

Rockwell Automation Limited

Notes to the financial statements For the year ended 30 September 2016

20. Provisions for liabilities

	2016 £'000	2015 £'000
At 1 October 2015	2,599	2,458
Charged to profit and loss	154	270
Utilisation	(213)	(129)
At 30 September 2016	<u>2,540</u>	<u>2,599</u>

The provision for dilapidation has been provided for leases that are due to expire between June 2017 and May 2026.

21. Called-up share capital and reserves

	2016 £'000	2015 £'000
<i>Authorised, Allotted and fully paid-up</i>		
15,500,000 "A" ordinary shares of £1 each	15,500	15,500
4,344,730 "B" ordinary shares of £1 each	4,345	4,345
	<u>19,845</u>	<u>19,845</u>

Both classes of ordinary shares have full voting, dividend and capital distribution rights.

22. Leasing commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2016		2015	
	Land and buildings £'000	Other £'000	Land and buildings £'000 Restated see note 27	Other £'000 Restated see note 27
- within one year	1,666	747	1,806	862
- between one and five years	3,495	1,047	5,162	736
- after five years	2,705	-	2,705	-
	<u>7,866</u>	<u>1,794</u>	<u>9,673</u>	<u>1,598</u>

Rockwell Automation Limited

Notes to the financial statements For the year ended 30 September 2016

23. Employee benefits

Defined contribution schemes

The Company operates defined contribution retirement benefit schemes for all qualifying employees. The cost of contributions made by the company to the defined contribution scheme amounted to £872,052 (2015: £834,125).

Defined benefit schemes

The Company participates in a group defined benefit scheme for qualifying employees. The most recent actuarial valuation of the Rockwell Automation Pension Scheme was carried out at 30 September 2016 by a qualified actuary.

Actual return on plan assets during fiscal year ending 30 September 2016

	£'000	
Expected return on assets	6,698	
Asset gain during the year	(5,304)	
	<hr/>	
Actual return on assets	1,394	
	<hr/>	
Assumptions and dates used at disclosure	2016	2015
Discount rate	2.30%	3.80%
Price inflation	3.00%	3.50%
Rate of salary increase	4.00%	4.50%
Pension increases for in-payment benefits	2.80%	3.50%
Pension increases for deferred benefits	2.00%	2.50%
Plan participant census date	31.03.16	31.03.13

Demographic assumptions

The measurement date is 30 September 2016. For purposes of determining benefit obligations as of the measurement date, participant data as of the census date, 31 March 2016 are used. It should be noted that ultimately the results are a roll forward of full census data obtained as part of the 31 March 2016 valuation.

Rockwell Automation Limited

Notes to the financial statements

For the year ended 30 September 2016

23. Employee benefits (continued)

Scheme Asset Information:

	2016 Proportion of total assets	2015 Proportion of total assets
Equities	62%	62%
Bonds: index-linked	38%	37%
Other	0%	1%
Net assets of the Plan	100.0%	100.0%

The market value of assets is £145,103,000 (2015: £115,150,000).

The asset figure we have used of £145,103k comprises of:

1. A bid valuation of the invested assets of the Rockwell Automation Pension Scheme (excluding AVCs and other money purchase benefits) of £144,788k, supplied by Legal & General Investment Management.
2. Estimated net current assets/liabilities for the Scheme of £315k, supplied by the Willis Towers Watson administration team.

Development of net balance sheet position

	2016 £'000	2015 £'000
Present value of defined benefit obligations	(173,101)	(146,211)
Fair value of scheme assets	145,103	115,150
Deficit in scheme	(27,998)	(31,061)
Liability recognised in balance sheet	(27,998)	(31,061)
Related deferred tax asset	4,760	6,212
	(23,238)	(24,849)

Amounts used in profit and loss account in respect of the scheme

	2016 £'000	2015 £'000 Restated see note 27
Effect of employee service in the current period	3,192	3,140
Net interest on net defined benefit liability/(asset)	1,080	1,022
Administrative expenses	508	612
Cost recognised in P&L	4,780	4,774

Rockwell Automation Limited

Notes to the financial statements

For the year ended 30 September 2016

23. Employee benefits (continued)

Analysis of amount recognised in the statement of other Comprehensive Income (OCI):

	2016 £'000	2015 £'000 Restated see note 27
Actuarial (gain)/loss arising during period	21,015	2,794
Return on scheme assets (greater)/less than discount rate	(23,574)	97
Movement on related deferred tax asset	435	(491)
Re-measurement effects recognised in OCI	<u>(2,124)</u>	<u>2,400</u>

24. Contingent liabilities

Guarantees have been issued to customers by way of bank bonds in respect of progress payments received for the successful completion of long term contract work. The contingent liability in respect of these at 30 September 2016 was £1,321k (2015: £1,614k).

25. Subsequent events

None to report at this time.

26. Controlling party and related party transactions

Rockwell Automation Limited is a subsidiary of Rockwell Automation Canada and Rockwell European Holdings Ltd, companies incorporated in the United Kingdom and Canada.

The ultimate parent company and controlling entity is Rockwell Automation Inc., which is incorporated in Delaware, in the United States of America. Copies of the group financial statements of Rockwell Automation Inc., are available from Rockwell Automation Inc., Global Headquarter, 1201 South Second Street, Milwaukee, Wisconsin 53204, USA. This is the largest and smallest group into which the accounts for the company are consolidated.

Rockwell Automation claims exception not to disclose inter company transactions (FRS 102).

Rockwell Automation Limited

Notes to the financial statements

For the year ended 30 September 2016

27. Explanation of transition to FRS 102

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 30 September 2015 and the date of transition to FRS 102 was therefore 1 October 2015. As a consequence of adopting FRS 102, the following accounting policies have changed to comply with that standard.

1. The Company has adopted the actuarial calculation standards on the defined benefit pension scheme for financial reporting and disclosure purposes required by Section 28 of Financial Reporting Standard 102 (FRS 102). The company also restated defined benefit cost under this standard for the period ending 30 September 2015.
2. The Company has adopted financial reporting classification of Royalty Income required by Section 23 of Financial Reporting Standard 102 (FRS 102). The company reclassified Royalties received from other operating income to Turnover for the period ending 30 September 2016 as well as 30 September 2015. This resulted in a reclassification of other income – royalties reported in 2015 of £7,847,000 to revenue.
3. The Company has adopted the FRS102 disclosure requirement relating to operating leases to disclose present value of future minimum lease payments. The 2015 financial statements disclose the annual commitments for operating leases.
4. The Company has reclassified deferred tax asset on pension liability for period ended 30 September 2015 from creditors due within 1 year to current debtors in the current year for the value of £6,212,000.

There were no equity adjustments noted in relation to the FRS102 transition

Reconciliation of profit or loss for 2015

Note	£
Profit for the financial year under previous UK GAAP	13,468
1 Defined Benefit Pension scheme reporting	(1,944)
Profit for the financial year under FRS 102	11,524

Rockwell Automation Limited

Notes to the financial statements

For the year ended 30 September 2016

27. Explanation of transition to FRS 102 (continued)

Restatement resulting from FRS102 adoption:

Profit and loss account

	Note	2015 as previously stated £'000	2015 restatement £'000	2015 as restated £'000
Turnover (see adjustment 2 above)	3	61,409	7,848	69,257
Cost of sales		(26,075)	-	(26,075)
Gross profit		35,334	7,848	43,182
Distribution costs		(13,953)	-	(13,953)
Administrative expenses (see adjustment 1 above)		(14,657)	471	(14,186)
Other operating income (see adjustment 2 above)		7,847	(7,847)	-
Operating profit		14,571	472	15,043
Finance costs (net) (see adjustment 1 above)	4	1,662	(2,416)	(754)
Profit on ordinary activities before taxation	5	16,233	(1,944)	14,289
Tax on profit on ordinary activities	9	(2,765)	-	(2,765)
Profit for the financial year attributable to the equity shareholders of the Company		13,468	(1,944)	11,524

Statement of comprehensive income

	Note	2015 as previously stated £'000	2015 restatement £'000	2015 as restated £'000
Profit for the financial year		13,468	(1,944)	11,524
Re-measurement of net defined benefit liability (see adjustment 1 above)	23	(5,464)	2,573	(2,891)
Tax relating to components of other comprehensive income (see adjustment 1 above)	23	1,120	(629)	491
Total comprehensive income attributable to equity shareholders of the Company		9,124	-	9,124