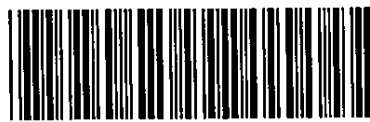


**FT TECHNOLOGY LIMITED
(FORMERLY ROCKWELL AUTOMATION
LIMITED)**

Report and Financial Statements

30 September 2010

THURSDAY



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27/01/2011
COMPANIES HOUSE

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

REPORT AND FINANCIAL STATEMENTS 2010

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FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

B A Watson
D Molloy

REGISTERED OFFICE

Pitfield
Kiln Farm
Milton Keynes
Buckinghamshire
MK11 3DR

BANKERS

Deutsche Bank
DB AG
PO Box 4416
Bishopsgate
London
EC2P 2AT

AUDITORS

Deloitte LLP
Chartered Accountants & Statutory Auditors
St Albans
United Kingdom

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 September 2010

PRINCIPAL ACTIVITY

Until 30 September 2010, the principal activity of the company was the provision of electronic automation and control equipment and solutions for industrial applications acting as a sales and marketing agent, manufacturer and assembler

BUSINESS REVIEW AND FUTURE PROSPECTS

The majority of the company's selling activities continue to be conducted as an agent for an associated company in the Netherlands under arrangements which provide for the company to receive an assured commission. Since its acquisition in September 2008, the safety business has contributed positively to operating earnings. In March 2010, we aligned the trading activities of the Power Application business with the rest of the company and RA BV assumed the responsibility for all sales and inventory.

As shown in the company's profit and loss account on page 8, the company's 12 month period sales have decreased to £40,034,000 from £45,465,000 prior year. This is primarily due to the sales of the products of the safety business acquired from EJA Ltd in 2008, reducing as the transfer to the Dominican Republic was completed.

Operating profit for the year is £4,598,000 compared to an operating profit in the prior year of £5,732,000. The decrease in operating profit includes the impact of the increased royalty income less lower margin on the safety business. Profit after tax for the year was £2,495,000 compared to £2,541,000 profit in the prior year, reflecting lower interest payments in the year.

The balance sheet on page 9 of the financial statements shows that the company's net liabilities at the year end have decreased by £2,960,000, from £10,827,000 to net liabilities of £7,867,000. Before the impact of the FRS 17 liability, the company's net assets increased by £3,526,000 from £4,164,000 to £7,690,000.

Trade debtors decreased by £1,049,000 during the year to 30 September 2010 reflecting lower sales. During the year, the net receivable from the group undertakings was £212,000 (creditor £23,716,000 less debtor £23,928,000), compared to the net payable of £7,183,000 in the prior year.

Movements in the tangible fixed assets are set out in note 10 to the financial statements.

Under FRS 17, the amount of Rockwell Automation Pension Scheme deficit, net of deferred tax included at September 2010 is £15,557,000 (September 2009, £14,991,000) as detailed in note 17. The ultimate parent Rockwell Automation Inc, continues to support any scheme deficit and has committed to enable the company to meet any liabilities arising from the pension scheme deficit.

On the 1 October 2010 the company sold its trade and associated operating assets and liabilities, as a going concern, to a fellow subsidiary, Rockwell Automation Limited (formerly ICS Triplex EMEA Limited) generating a profit on sale of £22 million. Following the transfer, the company retained its Share Capital and Reserves. The directors do not expect to recommence trading and it is anticipated the company will be liquidated in the near future. As a result the financial statements have been prepared on a basis other than that of a going concern.

PRINCIPAL RISKS AND UNCERTAINTIES

The historical principal risks and uncertainties, including stock obsolescence cash flow from debtors and bad debts, have been removed with effect from 1 October 2010, when the trade was sold as referenced above.

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

DIRECTORS' REPORT (continued)

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

FT Technology Limited is a wholly owned subsidiary, whose ultimate parent is Rockwell Automation Inc, a company incorporated in Delaware in the USA. The company and fellow European subsidiaries operate as part of the group's European region. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business.

GOING CONCERN

As mentioned in the Directors' Report and note 23 to the accounts, the company sold its trade and operating assets and liabilities to Rockwell Automation Limited (formerly ICS Triplex (EMEA) Limited) on the 1 October 2010 and has since then ceased trading. As a result the financial statements have been prepared on the basis other than that of a going concern as fully described in Note 1.

DIVIDENDS AND TRANSFERS TO RESERVES

No dividend has been proposed (2009 £nil)

The profit for the financial year of £2,495,000 (2009 profit £2,541,000) has been retained within reserves.

EMPLOYEES

Details of the number of employees and related costs can be found in note 3 to the financial statements on page 13.

The Company has arrangements for providing information to employees together with consultation and involvement in the Company's performance.

The Company's policy towards disabled persons is to provide full and fair consideration for all types of vacancies and to provide equal opportunities for training, career development and promotion in line with aptitudes and abilities. This policy also applies to the continuing employment and training of employees who become disabled.

CREDITOR PAYMENT POLICY

It is the Company's policy to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment. The average creditor payment period at 30 September 2010 was 19.5 days (2009 19 days).

DIRECTORS

The following directors have held office for the year ended 30 September 2010, and subsequently:

C M Griffin	(Resigned 13 October 2009)
F J H C Hendrickx	(Resigned 3 December 2009)
B A Watson	(Appointed 1 December 2009)
D Molloy	

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

DIRECTORS' REPORT (continued)

PROVISION OF INFORMATION TO AUDITORS


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

- so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

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

A resolution to reappoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board


Director **DOMINIC MOLLOY**
13 JAN 2011


BRIAN WATSON

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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 judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, 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 AUDITORS' REPORT TO THE MEMBERS OF FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LIMITED)

We have audited the financial statements of FT Technology Limited (formerly Rockwell Automation Limited) for the year ended 30 September 2010 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes 1 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' 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 auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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 (APB'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.

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 2010 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.

Emphasis of matter – Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Opinion on other matter prescribed by the Companies Act 2006

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LIMITED)

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



Paul Schofield (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
St Albans, United Kingdom

14 January 2011

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

PROFIT AND LOSS ACCOUNT

For the year ended 30 September 2010

	Note	2010 £'000	2009 £'000
TURNOVER	2	40,034	45,465
Cost of sales		<u>(20,945)</u>	<u>(23,753)</u>
Gross profit		19,089	21,712
Distribution costs		(14,066)	(13,895)
Administrative expenses		(6,601)	(5,388)
Other operating income – royalties		<u>6,176</u>	<u>3,303</u>
OPERATING PROFIT		4,598	5,732
Interest receivable and similar income	5	109	175
Interest payable and similar charges	6	<u>(350)</u>	<u>(1,891)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	4,357	4,016
Tax charge on profit on ordinary activities	7	<u>(1,862)</u>	<u>(1,475)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION FOR THE FINANCIAL YEAR	19	<u>2,495</u>	<u>2,541</u>

The above results relate entirely to the discontinuing activities of the company

There is no difference between the results state above, and their historical cost equivalents

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
Year ended 30 September 2010

	Note	2010 £'000	2009 £'000
Profit for the financial year		2,495	2,541
Actuarial gain/(loss) on defined benefit pension scheme	17	515	(16,942)
UK deferred tax attributable to actuarial (gain)/loss	17	<u>(298)</u>	<u>4,744</u>
Total recognised losses and gains relating to the year		<u>2,712</u>	<u>(9,657)</u>

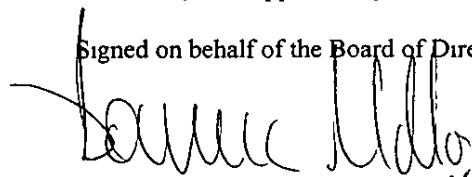
FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

BALANCE SHEET
30 September 2010

	Note	2010 £'000	2009 £'000
FIXED ASSETS			
Goodwill	9	13,104	13,913
Tangible assets	10	1,463	533
Investments	11	-	-
		<u>14,567</u>	<u>14,446</u>
CURRENT ASSETS			
Stocks	12	875	1,286
Debtors	13	25,000	24,821
Cash at bank and in hand		1,712	954
		<u>27,587</u>	<u>27,061</u>
CREDITORS: amounts falling due within one year	14	<u>(34,363)</u>	<u>(36,725)</u>
NET CURRENT LIABILITIES		<u>(6,776)</u>	<u>(9,664)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,791	4,782
CREDITORS: amounts falling due after more than one year			
Provision for liabilities and charges	16	<u>(101)</u>	<u>(618)</u>
NET ASSETS EXCLUDING PENSION LIABILITY		7,690	4,164
Net pension liability	17	<u>(15,557)</u>	<u>(14,991)</u>
NET LIABILITIES INCLUDING PENSION LIABILITY		<u>(7,867)</u>	<u>(10,827)</u>
CAPITAL AND RESERVES			
Called up share capital	18	7,105	7,105
Profit and loss account	19	(14,972)	(17,932)
SHAREHOLDERS' DEFICIT	20	<u>(7,867)</u>	<u>(10,827)</u>

The financial statements of FT Technology Limited (formerly Rockwell Automation Limited), registered number 00947912, were approved by the Board of Directors and authorised for issue on 13 JAN 2011

Signed on behalf of the Board of Directors


Director **DOMINIC MOLLOY**


BRIAN WATSON

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable UK accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the current and preceding years, are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going concern

As mentioned in the Directors' Report and note 23 to the accounts, the company sold its trade and operating assets and liabilities to Rockwell Automation Limited (formerly ICS Triplex (EMEA) Limited) on the 1 October 2010 and has since then ceased trading. As a result the financial statements have been prepared on the basis other than that of a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

Goodwill

Goodwill is the excess of purchase consideration over the fair value of net assets acquired and is carried at cost less provision for impairment. It is being amortised over twenty years.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on cost in equal instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

Buildings	2% per annum
Short-term leasehold improvements	Over the term of the lease
Plant and machinery	Between 15% and 25% per annum
Fixtures, fittings, tools and equipment	Between 10% and 25% per annum
Assets in the course of construction and land are not depreciated	

Stocks

Stocks and work-in-progress, other than on long-term contracts, are stated at the lower of cost and net realisable value. Cost includes materials, direct labour and production overheads appropriate to the relevant stage of production. Net realisable value is based on estimated selling price less all further costs to completion and all relevant marketing, selling and distribution costs.

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

1. ACCOUNTING POLICIES (continued)

Long-term contracts

Long-term contracts balances represent costs incurred on specific contracts, net of amounts transferred to cost of sales in respect of work recorded as turnover, less foreseeable losses and payments on account not matched with turnover. Contract work in progress is recorded as turnover by reference to the value of work carried out to date. No profit is recognised until the total profit can be assessed with reasonable certainty.

Taxation

Current tax, including UK corporate 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 group'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.

A net deferred tax asset is regarded as recoverable and therefore 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 is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions except for the transactions subject to currency hedging arrangements which are accounted for at the contracted rates. All hedge contracts are held, only for the purchases of foreign currency, which are value dated to repay specific foreign currency loans. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date except certain foreign currency amounts which are translated at contracted rates. The translation differences are dealt with in the profit and loss account.

Turnover

Turnover represents amounts derived from the provision of goods and services which fall within the company's principal activities after deduction of trade discounts and Value Added Tax. Revenue is recognised at the point of dispatch of goods and provision of services.

Leases

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term, even if payments are not made on such a basis.

Related parties

The company has taken advantage of the exemption in FRS 8 relating to disclosure of transactions with wholly owned group companies.

NOTES TO THE ACCOUNTS

30 September 2010

1. ACCOUNTING POLICIES (continued)

Pension costs

The Company operates a funded defined benefit pension scheme (the "scheme"). The assets of the scheme are held separately from those of the Company, being invested by independent investment managers. Pension costs are accounted for on the basis of charging the cost of providing pensions over the years during which the company benefits from the employees' services. The pension costs have been calculated under FRS 17 Retirement Benefits, and assumptions used in the calculations are disclosed in note 17.

Contributions to defined contribution schemes are charged to the profit and loss account in the year in which contributions are payable.

Cash flow

A cash flow statement has not been prepared under the specific exemptions allowed under FRS 1 (revised) as the cash flows of the company are included within the consolidated accounts available as detailed in note 22.

Share-based payment

The company has applied the requirements of FRS 20 Share-based Payment related interpretation and the UITF 44. In accordance with the transitional provisions, FRS 20 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 and cash-settled share-based 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.

A liability equal to the portion of the goods or services is recognised at the current fair value determined at each balance sheet date for cash-settled share-based payments.

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

2. TURNOVER

	2010	2009
	£'000	£'000
Analysis by destination		
UK	35,833	36,157
Europe	1,690	2,662
Rest of the world	2,511	6,646
	<u>40,034</u>	<u>45,465</u>

All turnover, as shown above, is realised from one segment, which is sourced solely in the UK

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

Directors' remuneration

	2010	2009
	£'000	£'000
Total emoluments (excluding pensions)	296	151
Pension contributions	32	17
	<u>328</u>	<u>168</u>
Highest paid director:		
Total emoluments	<u>207</u>	<u>168</u>

Both (2009 one) of the directors are members of the defined benefit scheme in which the company participates

	2010	2009
	No.	No.
Employees' remuneration		
Average number of persons employed		
Production	179	227
Sales, distribution and administration	225	215
	<u>404</u>	<u>442</u>

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)

	2010 £'000	2009 £'000
Staff costs during the year (including directors)		
Wages and salaries	20,405	19,906
Social security costs	2,344	2,337
Pension costs	2,982	1,610
	<u>25,731</u>	<u>23,853</u>

4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2010 £'000	2009 £'000
Profit on ordinary activities before taxation is after charging/(crediting):		
Amortisation of goodwill	809	809
Loss on disposal of tangible fixed assets	-	16
Depreciation of tangible fixed assets – owned	234	242
Share based payments	248	185
Foreign exchange (gain)/loss	190	119
Rentals under operating leases		
Hire of plant machinery	664	747
Other operating leases	651	1,006
Fees payable to the company's auditors for the audit of the company's accounts	28	23
	<u>28</u>	<u>23</u>

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2010 £'000	2009 £'000
Bank interest	2	25
Interest received from group undertakings	-	17
Net returns on pension scheme (note 17)	107	133
	<u>109</u>	<u>175</u>

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2010 £'000	2009 £'000
Interest paid to group undertakings	350	1,889
Bank interest	-	2
	<u>350</u>	<u>1,891</u>

7. TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES

	2010 £'000	2009 £'000
United Kingdom corporation tax at 28% (2009 28%)	2,010	711
Adjustments in respect of prior years	(79)	26
	<u>1,931</u>	<u>737</u>
Deferred tax		
Timing differences, origination and reversal	(147)	738
Change in tax rates	78	-
	<u>1,862</u>	<u>1,475</u>

The tax assessed for the year is different from that resulting from applying the standard rate of corporation tax in the UK of 28% (2009 28%) The differences are explained below

	2010 £'000	2009 £'000
Profit on ordinary activities before taxation	4,357	4,016
Tax at 28% (2009 28%) thereon	1,220	1,125
Effects of		
Adjustments in respect of prior years	(80)	26
Expenses not deductible for tax purposes	614	344
Accelerated capital allowances	(79)	(642)
Movements in short term timing differences	256	(116)
	<u>1,931</u>	<u>737</u>
Current tax credit for the year		737

A number of changes to the UK corporation tax system were announced in the June 2010 Budget Statement Finance (No2) Act 2010 includes legislation to reduce the main rate of corporation tax from 28% to 27% from 1 April 2011 This change has been substantively enacted at the balance sheet date and is therefore included in these financial statements

Further reductions to the main rate of corporation tax are proposed to reduce the rate by 1% per annum to 24% by 1 April 2014 These changes have not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements The overall effect of these changes, if these applied to the deferred tax balance as at 30 September 2010, would be to reduce the deferred tax asset by up to £707,129

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS 30 September 2010

8. SHARE BASED PAYMENTS

Stock Options

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.

Details of the stock options granted to employees of FT Technology Limited (formerly Rockwell Automation Limited) are as follows, which includes a restatement of the beginning of year balance

	2010	2010	2009	2009
	Number of stock options	Weighted Average Exercise Price (in £)	Number of stock options	Weighted Average Exercise Price (in £)
Outstanding at beginning of the year (restated)	73,766	27.52	45,166	30.59
Granted during the year	26,153	37.80	29,600	17.82
Exercised during the year	(6,700)	17.51	-	0
Forfeited during the year	(2,100)	31.15	(1,000)	36.31
Outstanding at the end of the year	<u>91,119</u>	28.10	<u>73,766</u>	27.52
Exercisable at the end of the year	<u>49,514</u>	29.94	<u>5,834</u>	17.01

The per share weighted average fair value of stock options granted during the year ended September 30, 2008, 2009 and 2010 was \$17.57, \$7.75 and \$13.59 respectively. We estimated the fair value of each stock option on the date of grant using the Black-Scholes pricing model and the following assumptions

	2010	2009	2008
Average risk-free interest rate	2.15%	1.63%	3.34%
Expected dividend yield	3.16%	2.47%	1.78%
Expected volatility	0.41	0.35	0.28
Expected term (years)	5.5	5.4	5.3

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

8. SHARE BASED PAYMENTS (continued)

Stock Options (continued)

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 past 5 years. We determined the expected term of the stock options using historical data adjusted for the estimated exercise dates of unexercised options.

The company recognised share-based compensation expenses relating to vested options of £184,860 and £247,745 in 2009 and 2010 respectively. This calculated using a weighted average exercise price for each option of \$40.75 and \$27.30 for 2009 and 2010 respectively, and converting to sterling using moving average exchange rates for each year.

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

9. GOODWILL

	£'000
Cost	
At 1 October 2009	16,179
As at 30 September 2010	16,179
Amortisation	
At 1 October 2009	2,266
Charge for the year	809
At 30 September 2010	3,075
Net book value	
At 30 September 2010	13,104
At 30 September 2009	13,913

10. TANGIBLE FIXED ASSETS

	Land and Buildings £'000	Short-term leasehold improve- ments £'000	Plant and machinery £'000	Fixtures, fittings, tools and equipment £'000	Assets in the course of construction £'000	Total £'000
Cost						
At 1 October 2009	-	75	1,210	3,037	177	4,499
Additions	910	133	47	127	(50)	1,167
Disposals	-	-	(97)	(5)		(102)
At 30 September 2010	910	208	1,160	3,159	127	5,564,
Accumulated depreciation						
At 1 October 2009	-	71	1,087	2,806	-	3,964
Charge for the year	26	35	46	127	-	234
Disposals	-		(92)	(5)	-	(97)
At 30 September 2010	26	106	1,041	2,928	-	4,101
Net book value						
At 30 September 2010	884	102	119	231	127	1,463
At 30 September 2009	-	4	123	231	177	535

The legal transfer of title of the land and buildings for Wigan were transferred from EJA Limited to FT Technology Limited on 12 October 2009

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

11. INVESTMENTS

	Shares in subsidiary undertakings £'000
Cost	
At 1 October 2009 and 30 September 2010	1
Provision for impairment	
At 1 October 2009 and 30 September 2010	1
Net book value	
At 30 September 2010	-
At 30 September 2009	-

Details of the investment held as fixed assets are

Subsidiary undertakings	Business	Country of incorporation and operation	Proportion of ordinary shares held %
Rockwell International	Automation	UK	Less than 1%

12. STOCKS

	2010 £'000	2009 £'000
Raw materials	742	925
Work-in-Progress	97	157
Finished goods	36	204
	<u>875</u>	<u>1,286</u>

There is no material difference between the balance sheet value of stocks and their replacement costs

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

13. DEBTORS

	2010 £'000	2009 £'000
Trade debtors	120	1,169
Amounts owed by parent and fellow subsidiaries	23,928	22,123
Deferred tax (note 15)	681	827
Prepayments and accrued income	271	702
	<u>25,000</u>	<u>24,821</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £'000	2009 £'000
Trade creditors	1,086	1,045
Amounts owed to parent and fellow subsidiaries	23,716	29,306
Corporation tax	2,442	510
Other taxation and social security	2,333	1,637
Accruals and deferred income	4,786	4,227
	<u>34,363</u>	<u>36,725</u>

Included in the amounts owed to parent and fellow subsidiaries are intercompany loans of £18.22m owed by FT Technology Limited (formerly Rockwell Automation Limited) which mature on 29 August 2011 and attracts interest at 2.96%

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

15. DEFERRED TAX ASSET

	£'000
At 1 October 2009	827
Deferred tax on pension liability 1 October 2009	5,830
	<u>6,657</u>
Current year credit	(146)
Pension fund deficit – current year	(76)
	<u>6,435</u>
Reported as deduction from pension liability	(5,754)
	<u>681</u>
At 30 September 2010	<u><u>681</u></u>
Analysis of deferred tax balance	
	2010
	£'000
Depreciation in excess of capital allowances	361
Short term timing differences	320
	<u>681</u>
	<u><u>681</u></u>

16. PROVISIONS FOR LIABILITIES AND CHARGES

	Onerous leases £'000	Payroll/ benefits provision £'000	Total £'000
Balance at 1 October 2009	481	137	618
Utilisation	(448)	(69)	(517)
	<u>33</u>	<u>68</u>	<u>101</u>
Balance at 30 September 2010	<u><u>33</u></u>	<u><u>68</u></u>	<u><u>101</u></u>

The onerous leases provision included above relates to a provision for onerous contracts arising from leases relating to property that the company has vacated. The lease expires 24 March 2011.

The payroll/ benefits provision relates to a person on long term sick leave. The provision is payable over 5 year period.

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

17. PENSION COMMITMENTS

FRS 17 disclosures

The Company operates a defined benefit scheme in the UK – the Rockwell Automation Pension Scheme, although members can pay contributions into defined contribution arrangements. None of the defined contribution arrangements are covered by these disclosures. The scheme is open to new entrants.

The most recent actuarial valuation of the Rockwell Automation Pension Scheme was carried out at 30 September 2010 by a qualified actuary.

Actual return on plan assets during fiscal year ending 30 September 2010

	£'000
Expected return on assets	4,581
Asset gain during the year	1,423
	<hr/>
Actual return on assets	<u>6,004</u>

Assumptions and dates used at disclosure	2010	2009
Discount rate	5.10%	5.50%
Price inflation	3.25%	3.50%
Rate of salary increase	4.50%	4.75%
Pension increases for in-payment benefit		
Pre 1 April 1997 service	0.00%	0.00%
Post 1 April 1997 to March 2006 service	3.25%	3.50%
Post March 2006 service	2.25%	2.40%
Pension increases for deferred benefits		
March 2006 to March 2009 service	3.25%	3.5%
Post March 2009 service	2.50%	-
Life expectancy for males at age 65 (years)		
Current	22.9	22.1
20 years time	25.9	23.2
Plan participant census date	31.03.10	31.3.07

Demographic assumptions

The mortality assumptions used are 90% of SAPS "All" tables with medium cohort projections and a floor of 1.5% p.a. This is a stronger assumption compared to that used within 30 September 2009 liability calculations.

We have assumed that half of all active and deferred members will commute their maximum entitlement for tax free cash sums at retirement. This is in line with the allowance made for the valuation as at 31 March 2007 and the initial results of 31 March 2010 valuation.

The assets in the Plan and the expected rate of return were

	2010 Expected Return	2010 Proportion of total assets	2010 Market Value £'000	2009 Proportion of total assets
Equities	8.3%	65.9%	44,077	66.4%
Bonds index-linked	4.0%	33.5%	22,406	32.8%
Other	3.9%	0.6%	401	0.8%
Net assets of the Plan	<hr/> 16.2%	<hr/> 100.0%	<hr/> 66,884	<hr/> 100.00%

The market value of assets is £66,884,000 (2009 £62,000,000)

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

17. PENSION COMMITMENTS (continued)

The overall expected return on assets assumption of 6.8% pa as at 30 September 2010 has been determined with the aim of reflecting the average rate of growth expected on the funds invested having regard to the weighted average of the expected return from each of the main asset classes. The expected return for each asset class reflects a combination of historical performance analysis, the forward looking views of the financial markets (as suggested by the yields available) and the views of investment organisations. Consideration is also given to the rate of return expected to be available on reinvestment.

Development of net balance sheet position	2010 £'000	2009 £'000
Present value of defined benefit obligations	(88,195)	(83,421)
Fair value of scheme assets	66,884	62,600
Deficit in scheme	<u>(21,311)</u>	<u>(20,821)</u>
Liability recognised in balance sheet	(21,311)	(20,821)
Related deferred tax asset	5,754	5,830
	<u>(15,557)</u>	<u>(14,991)</u>
 Amounts used in profit and loss account in respect of the scheme		
	2010 £'000	2009 £'000
Current service cost	2,949	1,908
Interest cost	4,474	4,181
Expected return on scheme assets	(4,581)	(4,314)
	<u>2,842</u>	<u>1,775</u>

Of the charge for the year, £2,949,000 (2009 £1,908,000) has been included in administration expenses and £107,000 (2009 £133,000) has been included in interest receivable and similar income.

The actual return on scheme assets was £6,004,000 (2009 £5,601,000).

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses since the adoption of FRS 17 is £17,457,000 (2009 £16,942,000).

Analysis of amount recognised in the statement on total recognised gains and losses

	2010 £'000	2009 £'000
Actuarial gain / (loss) arising during year	515	(16,942)
Related deferred tax asset	(298)	4,744
Recognised in the STRGL	<u>217</u>	<u>(12,198)</u>

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)**NOTES TO THE ACCOUNTS****30 September 2010****17. PENSION COMMITMENTS (continued)**

Movement in the present value of defined benefit obligations

	2010	2009
	£'000	£'000
Plan liabilities at prior fiscal year end	83,421	61,286
Employer service cost	2,949	1,908
Interest cost	4,474	4,181
Plan participants contributions	583	610
Actuarial gain	908	18,229
Benefits paid from plan assets	(3,629)	(2,052)
Administration expenses paid	(511)	(413)
Curtailments	-	(328)
	<u>88,195</u>	<u>83,421</u>
Plan liabilities at current fiscal year end	<u>88,195</u>	<u>83,421</u>

Movements in the fair value of scheme assets

	2010	2009
	£'000	£'000
Fair value of assets at prior fiscal year end	62,600	56,980
Expected return on assets	4,581	4,314
Actuarial gain	1,423	1,287
Employer contributions	1,837	1,874
Plan participants contributions	583	610
Benefits paid	(3,629)	(2,052)
Administrative expenses paid	(511)	(413)
	<u>66,884</u>	<u>62,600</u>
Fair value of assets at current fiscal year end	<u>66,884</u>	<u>62,600</u>

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

17. PENSION COMMITMENTS (continued)

History of experience gains and losses

	2010 £'000	2009 £'000	2008 £'000	2007 £'000	2006 £'000
Asset experience					
Asset gain/(loss) during period	1,423	1,287	(12,745)	266	1,331
% of scheme assets	2.1%	2.1%	22.4%	0.4%	2%
Liability experience					
Liability gain/(loss) during period	2,388	79	87	7,579	2,392
% of the present value of the scheme liabilities	2.7%	0.1%	0.1%	10.5%	3%
Liability assumptions					
Liability gain/(loss) over period	(3,296)	(18,308)	16,102	(1,968)	(3,992)
% of the present value of the scheme liabilities	-3.7%	-21.9%	26.3%	-2.7%	-5%
Deficit					
Actuarial value of scheme liabilities	(88,195)	(83,421)	(61,286)	(72,323)	(72,960)
Fair value of assets	66,884	62,600	56,980	64,702	60,342
Deficit in the scheme	(21,311)	(20,821)	(4,306)	(7,621)	(12,618)

The estimated amounts of contributions expected to be paid to the scheme during the current financial year is £2,450 thousand

	£'000
Employer	1,840
Plan participants	610

Defined contribution scheme

The cost of contributions made by the company to the defined contribution scheme amounted to £32,430 (2009 £30,630)

18. CALLED UP SHARE CAPITAL

	2010 £'000	2009 £'000
Authorised, allotted, called up and fully paid 7,105,000 ordinary shares of £1 each	7,105	7,105

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

19 PROFIT AND LOSS ACCOUNT

	Total £'000
At 1 October 2009	(17,932)
Profit for the financial year	2,495
Other recognised gains and losses	217
Credit to equity for share based payment	248
At 30 September 2010	<u>(14,972)</u>
Net pension liability	<u>15,557</u>
At 30 September 2010 excluding pension liability	<u>585</u>

20. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	2010 £'000	2009 £'000
Profit for the financial year	2,495	2,541
Other recognised gain / (loss)	217	(12,198)
Share based payment	248	185
Opening shareholders' deficit	<u>(10,827)</u>	<u>(1,355)</u>
Closing shareholders' deficit	<u>(7,867)</u>	<u>(10,827)</u>

21. FINANCIAL COMMITMENTS

Capital Commitments

At 30 September 2010 the company had capital commitments of £64,951 (2009 £8,325)

Operating lease commitments

At 30 September 2010 the company is committed to making the following payments during the next year in respect of operating leases

	Land and buildings		Other	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
Leases which expire				
within one year	7	214	188	37
within 2 to 5 years	2,273	14	582	411
after 5 years	-	-	-	-
	<u>2,280</u>	<u>228</u>	<u>770</u>	<u>448</u>

FT TECHNOLOGY LTD (FORMERLY ROCKWELL AUTOMATION LTD)

NOTES TO THE ACCOUNTS

30 September 2010

22. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The ultimate parent company and controlling party is Rockwell Automation Inc , which is incorporated in Delaware in the United States of America This is the smallest and largest group for which the accounts of the company are consolidated The address from which statements of the ultimate parent company can be obtained is Rockwell Automation Inc , Global Headquarters, 1201 South Second Street, Milwaukee, Wisconsin 53204, USA

23 POST BALANCE SHEET EVENT

On 1 October 2010 the company sold its trade and associated operating assets and liabilities, as a going concern, to a fellow subsidiary, Rockwell Automation Limited (formerly ICS Triplex (EMEA) Limited, generating a profit on sale of £22million Following the transfer, the company retained its Share Capital and Profit & Loss The directors do not expect to recommence trading and it is anticipated the company will be liquidated in the near future