

**Asco Joucomatic Limited**

**Strategic report, Directors' report and  
financial statements**

**Registered number 2861557**

**30 September 2013**



<b>Contents</b>	<b>Page no</b>
Strategic report	1
Directors' report	2
Statement of directors' responsibilities in respect of the Strategic Report, Directors' Report and the financial statements	3
Independent auditor's report to the members of Asco Joucomatic Limited	4
Profit and loss account	5
Balance sheet	6
Reconciliation of movements in shareholders' funds	7
Notes to the financial statements	8

## Strategic Report

### Business review

The year 2013 built on the progress made over the previous two years. Despite difficult trading conditions throughout Europe during the year the UK remained stable. The market recovery in manufacturing across the board over the last three years has had a beneficial impact on our direct sales and distribution network. We have invested in people to strengthen our sales team and reinforced our marketing activity as we continue to work with our customers and respond to their requirements.

We continued to maintain our focus on specific product areas during the year. This was a key factor in our ongoing progress as we benefited by further developing business with industries such as Petrochemical, Biotech, Pharmaceutical, Medical, Packaging and Automotive. This focus helped to offset other sectors that were not growing. We will continue to concentrate on specific sectors of industry where we believe that our product and service offering will enable us to improve our market position.

During the year we invested in upgrading machinery, this coupled with actions to continually improve our lean manufacturing techniques has enabled further improvements to be made to our service and efficiency which has contributed to better customer satisfaction and has protected the Company's profitability.

Overall the result is a pre-tax profit of £3.0million (2012 £2.7million) and a turnover of £19.2million (2012 £18.4million). All of the actions taken in 2013 give us confidence that we can continue to build up profitable sales and be an attractive supplier for customers looking for high added value.

The Company's net assets at 30<sup>th</sup> September 2013 were £19.5m (2012 £20.2m) which means that we continue to be in a strong financial position with good liquidity, enabling the Company to comfortably meet any working capital requirements for the foreseeable future.

The Company's management uses a number of key measures to monitor and manage the performance of the business. At the Company level the key performance indicators are sales, gross profit, gross profit percentage, EBIT (Earnings before interest and tax), cash generated by operations and the following more specific indicators:

- Daily Sales Outstanding
- Inventory Turnover
- Daily Payments Outstanding
- Trade Working Capital
- Service Levels

### Principal risks and uncertainty

The risk factor evaluation shows that we are not substantially exposed to any significant business risks as we have a large span of customers all involved in different market segments. In addition our largest customer does not account for more than 6.3% (2012 5.8%) of our total sales.

### Research and development

The Company participates in an extensive group product development programme.

### Dividends

During the year an interim dividend of £3,003,224 (£3.87 per ordinary share) was paid in respect of the year ended 30 September 2013 (2012 £5.80 per ordinary share). No further dividends are proposed.

### Market value of land and buildings

The directors are of the opinion that the market value of the freehold property exceeds the carrying value disclosed in the accounts. This has not been quantified.

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 September 2013

### Principal activities

The principal activity of the Company is the manufacture and market distribution of solenoid valves, pressure and temperature switches, pneumatic control equipment and associated panels

### Environment

The Company recognises the importance of its environmental responsibilities and operates in accordance with our group policies legal obligations and international standard ISO 1400 (B S I certificate EMS 509106) Initiatives designed to minimise the Company's impact on the environment include energy management, waste reduction, emergency preparedness and safe disposal of waste arising from operations in addition to recycling materials are implemented whenever it is practicable

### Directors

The directors who served during the year or subsequently were

J-C Serkumian (Chairman)

SW Patterson

I Glencastle

### Employees

It is the policy of the Company to employ people who are handicapped by disablement provided it is practicable to offer them suitable employment and to make every effort to provide appropriate employment for employees who become disabled It is the intention to give disabled people opportunities for training, career development and promotion consistent with their capabilities The individual needs of the disabled are taken into consideration and where practicable, special arrangements are made to enable them to carry out their work

The Company also recognises the importance of good communications and endeavours, at meetings regularly convened, to keep its employees informed of the Company's progress and about other matters which concern them

### Political and charitable contributions

The Company, nor any of its subsidiaries, have not made any disclosable political or charitable donations or incurred any disclosable political expenditure during the year (2012 £ Nil)

### Disclosure of information to auditor

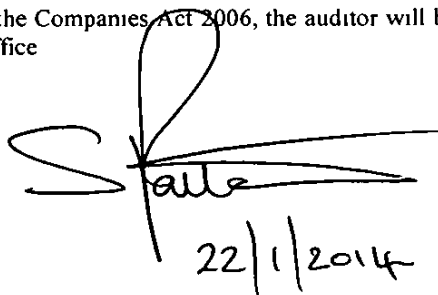
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office

By order of the board

SW Patterson  
Director



22/1/2014

Pit Hey Place  
West Pimbo  
Skelmersdale  
Lancashire  
WN8 9PG

## **Statement of directors' responsibilities in respect of the Strategic Report and Directors' Report and the financial statements**

The directors are responsible for preparing the Strategic Report and Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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, 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP  
8 Princes Parade  
Liverpool  
L3 1QH

### **Independent auditor's report to the members of Asco Joucomatic Limited**

We have audited the financial statements of Asco Joucomatic Limited for the year ended 30 September 2013 set out on pages 5 to 17. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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 set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **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 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and 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.

**Will Baker (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
8 Princes Parade, Liverpool, L3 1QH

23 January 2014 4

**Profit and loss account**  
*for the year ended 30 September 2013*

	<i>Note</i>	<b>2013 £000</b>	<b>2012 £000</b>
<b>Turnover</b>	<b>2</b>	<b>19,230</b>	<b>18,403</b>
Cost of sales		(12,839)	(12,185)
<b>Gross profit</b>		<b>6,391</b>	<b>6,218</b>
Distribution costs		(1,512)	(1,648)
Administrative expenses		(1,907)	(1,891)
<b>Operating profit</b>		<b>2,972</b>	<b>2,679</b>
Other interest receivable and similar income	6	42	46
<b>Profit on ordinary activities before taxation</b>	<b>3</b>	<b>3,014</b>	<b>2,725</b>
Tax on profit on ordinary activities	7	(760)	(693)
<b>Profit for the financial year</b>		<b>2,254</b>	<b>2,032</b>

All amounts relate to continuing operations. The company has no recognised gains or losses other than the result for the year as set out above, therefore a separate statement of gains or losses has not been prepared.

The notes on pages 8 to 17 form part of the financial statements.

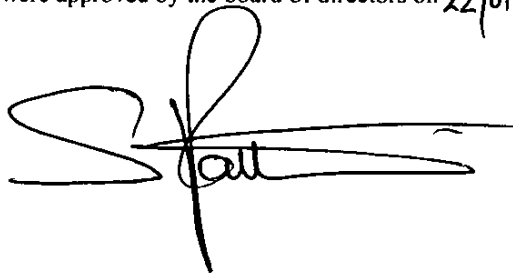
**Balance sheet**  
*at 30 September 2013*

	<i>Note</i>	<b>2013</b> <b>£000</b>	<b>£000</b>	<b>2012</b> <b>£000</b>	<b>£000</b>
<b>Fixed assets</b>					
Tangible assets	9		1,873		1,762
Investments	10		533		533
			<hr/>		<hr/>
			2,406		2,295
<b>Current assets</b>					
Stocks	11	1,224		1,268	
Debtors	12	19,951		20,576	
Cash at bank and in hand		1		1	
		<hr/>		<hr/>	
<b>Creditors</b> amounts falling due within one year	13	21,176 (4,120)		21,845 (3,929)	
		<hr/>		<hr/>	
<b>Net current assets</b>			17,056		17,916
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			19,462		20,211
			<hr/>		<hr/>
<b>Net assets</b>			19,462		20,211
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	15	776		776	
Share premium account	16	15,274		15,274	
Profit and loss account	16	3,412		4,161	
		<hr/>		<hr/>	
<b>Shareholders' funds</b>			19,462		20,211
			<hr/>		<hr/>

The notes on pages 8 to 17 form part of the financial statements

These financial statements were approved by the board of directors on 22/01/2014 and were signed on its behalf by

SW Patterson  
Director





**Reconciliation of movements in shareholders' funds**  
*for the year ended 30 September 2013*

	<b>2013</b> <b>£000</b>	<b>2012</b> <b>£000</b>
<b>Profit for the financial year</b>	<b>2,254</b>	<b>2,032</b>
Dividends	(3,003)	(4,501)
<b>Net (decrease)/increase in shareholders' funds</b>	<b>(749)</b>	<b>(2,469)</b>
Opening shareholders' funds	20,211	22,680
<b>Closing shareholders' funds</b>	<b>19,462</b>	<b>20,211</b>

## Notes

*(forming part of the financial statements)*

### 1 Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

As 100% of the Company's voting rights are controlled within the group headed by Emerson Electric Co, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Emerson Electric Co, within which this Company is included, can be obtained from the address given in note 20.

#### *Going concern*

The financial statements have been prepared on a going concern basis because, after making due enquiries, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

#### *Fixed assets and depreciation*

Tangible fixed assets are included in the balance sheet at historical cost. 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:

Freehold land	-	Nil
Freehold buildings	-	50 years
Plant and machinery	-	12 years
Fixtures, fittings, tools and equipment	-	4 years

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the 20<sup>th</sup> of each month. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

#### *Operating leases*

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

## Notes (continued)

### 1 Accounting Policies (continued)

#### Post-retirement benefits

The company operates two defined contribution pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The amount charged against profits represents the contributions payable to the schemes in respect of the accounting period.

The Company participates in a group wide pension scheme, the Emerson UK pension Plan, providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Company. The Company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 'Retirement benefits', accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

#### Research and development expenditure

Expenditure on research and development is written off against profits in the year in which it is incurred.

#### Stocks

Stocks are stated at the lower of cost and net realisable value. For work in progress and finished goods cost is taken as production cost, which includes an appropriate proportion of attributable overheads.

#### Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

#### Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers. It is group policy that the seller bears the risk over goods until they reach their destination.

#### Cash

All cash balances of the Company are deposited in a group banking arrangement and are presented as intercompany balances.

### 2 Analysis of turnover

The directors are of the opinion that there is only one class of business. The geographical analysis (by destination) is as follows:

	2013 £000	2012 £000
<i>By geographical market</i>		
United Kingdom	11,331	11,175
Europe	5,749	5,250
USA	594	546
Australia and Far East	1,458	1,336
Africa	98	96
	<hr/>	<hr/>
	19,230	18,403
	<hr/>	<hr/>

## Notes (continued)

### 3 Profit on ordinary activities before taxation

	2013 £000	2012 £000
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Depreciation and other amounts written off tangible fixed assets		
Owned	302	272
Hire of plant and machinery - operating leases	145	151
	<u>          </u>	<u>          </u>
Auditor's remuneration	2013 £000	2012 £000
Amounts receivable by the auditors and their associates in respect of		
Audit of these financial statements	34	34
Other non audit services	1	1
	<u>          </u>	<u>          </u>

### 4 Remuneration of directors

	2013 £000	2012 £000
Emoluments	79	76
Company contributions to money purchase pension schemes	5	5
	<u>          </u>	<u>          </u>
<i>Retirement benefits are accruing to the following number of directors</i>	2013 Number	2012 Number
Defined benefit pension scheme	Nil	Nil
	<u>          </u>	<u>          </u>
Money purchase pension scheme	1	1
	<u>          </u>	<u>          </u>

The aggregate of emoluments and amounts receivable under long term incentive schemes of the highest paid director was £ 83,714 (2012 £75,452) He is a member of the defined contribution pension scheme under which his accrued pension at the year end was £nil (2012 £nil)

## Notes (continued)

### 5 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

	Number of employees	
	2013	2012
Production	101	99
Distribution and marketing	38	38
Administration	11	11
Services	2	2
Engineering	2	2
Other	12	12
	<u>166</u>	<u>164</u>

The aggregate payroll costs of these persons were as follows

	2013 £000	2012 £000
Wages and salaries	3,633	3,502
Social security costs	303	298
Other pension costs	225	161
	<u>4,161</u>	<u>3,961</u>

### 6 Other interest receivable and similar income

	2013 £000	2012 £000
Bank interest receivable and similar income	<u>42</u>	<u>46</u>

## Notes (continued)

### 7 Taxation on profit on ordinary activities

	2013 £000	2012 £000
<b>UK corporation tax</b>		
Current tax on income for period	725	703
Adjustment in respect of prior periods	50	(13)
<b>Total current tax</b>	<b>775</b>	<b>690</b>
<b>Deferred taxation</b>		
Origination and reversal of timing differences	(15)	3
	<b>760</b>	<b>693</b>

#### Factors affecting the tax charge for the current period

The tax charge assessed for the period is higher than (2012 higher) the standard rate of corporation tax in the UK of 23.5% (2012 25%). The differences are explained below

	2013 £000	2012 £000
<b>Current tax reconciliation</b>		
Profit on ordinary activities before tax	3,014	2,725
Profit on ordinary activities multiplied by the standard rate of corporate tax in the UK of 23.5% (2012 25%)	708	681
Effects of		
Expenses not deductible for tax purposes	7	10
Other timing differences	10	12
Adjustment in respect of prior periods	50	(13)
<b>Total current tax (see above)</b>	<b>775</b>	<b>690</b>

The 2012 Budget on 23 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 30 September 2012 has been calculated based on the rate of 23% substantively enacted at the balance sheet date. It has not yet been possible to quantify the full anticipated effect of the announced further 1% rate reduction, although this will further reduce the company's future current tax charge and reduce the company's deferred tax asset accordingly. The current tax rate applied to the year ended 30 September 2013 is a hybrid rate of 23.5%.

### 8 Dividends

The aggregate amounts of dividends comprises	2013 £000	2012 £000
Interim dividend paid in respect of the current year	3,003	4,501

## Notes (continued)

### 9 Tangible fixed assets

	Freehold land and buildings	Plant and machinery	Fixtures, fittings, Tools and equipment	Total
	£000	£000	£000	£000
<b>Cost</b>				
At beginning of year	698	3,276	3,658	7,632
Additions	-	239	174	413
Disposals	-	-	-	-
Transfers	-	-	-	-
At end of year	698	3,515	3,832	8,045
<b>Depreciation</b>				
At beginning of year	252	2,535	3,083	5,870
Charge for year	12	130	160	302
Disposals	-	-	-	-
Transfers	-	-	-	-
At end of year	264	2,665	3,243	6,172
<b>Net book value</b>				
At 30 September 2013	434	850	589	1,873
At 30 September 2012	446	741	575	1,762

Included in freehold land and buildings is an amount of £66,000 (2012 £66,000) in respect of non-depreciable land  
All buildings held by the Company are freehold

### 10 Fixed asset investments

	Shares in Group Undertaking £000
<b>Cost and net book value</b>	
At beginning and end of year	<u>533</u>

The companies in which the company's interest at the year end is more than 20% are as follows

	Country of incorporation	Principal activity	Class and percentage of shares
Asco Power Technologies Limited	England and Wales	Dormant	100% Ordinary shares of £1 each

## Notes (continued)

### 11 Stocks

	2013 £000	2012 £000
Raw materials and consumables	707	877
Work in progress	17	14
Finished goods and goods for resale	500	377
	<u>1,224</u>	<u>1,268</u>

### 12 Debtors

	2013 £000	2012 £000
Trade debtors	2,532	3,201
Amounts owed by group undertakings	17,191	17,238
Other debtors	59	42
Prepayments and accrued income	130	71
Deferred tax (note 14)	39	24
	<u>19,951</u>	<u>20,576</u>

### 13 Creditors: amounts falling due within one year

	2013 £000	2012 £000
Trade creditors	1,428	1,254
Amounts owed to group undertakings	1,166	1,168
Taxation and social security	398	352
Accruals and deferred income	1,128	1,155
	<u>4,120</u>	<u>3,929</u>



## Notes (continued)

### 14 Deferred taxation

	Deferred taxation £000
At 1 October 2012	24
Charged during the year to the profit and loss account	15
	<hr/>
At 30 September 2013 (note 12)	39
	<hr/> <hr/>

The amounts for deferred taxation are set out below

	2013 £000	2012 £000
Difference between accumulated depreciation and capital allowances	34	19
Other timing differences	5	5
	<hr/>	<hr/>
Deferred tax asset	39	24
	<hr/> <hr/>	<hr/> <hr/>

### 15 Called up share capital

	2013 £000	2012 £000
<i>Authorised</i>		
Equity Ordinary shares of £1 each	800	800
	<hr/>	<hr/>
<i>Allotted</i>		
Equity Ordinary shares of £1 each	776	776
	<hr/>	<hr/>
<i>Allotted, called up and fully paid</i>		
Equity Ordinary shares of £1 each	776	776
	<hr/> <hr/>	<hr/> <hr/>

### 16 Share premium and reserves

	Share premium Account £000	Profit and loss account £000
At beginning of year	15,274	4,161
Profit for the year	-	2,254
Dividends	-	(3,003)
	<hr/>	<hr/>
At end of year	15,271	3,412
	<hr/> <hr/>	<hr/> <hr/>

## Notes (continued)

### 17 Contingent liabilities

As at 30 September 2012 the company had entered into a guarantee to HM Customs and Excise in respect of duty deferment amounting to £80,000 (2012 £80,000)

### 18 Commitments

(a) Capital commitments at the end of the financial year, for which no provision has been made, are as follows

	2013 £000	2012 £000
Contracted	216	247

(b) Annual commitments under non-cancellable operating leases are as follows

	2013 Other £000	2012 Other £000
Operating leases which expire		
Within one year	25	40
In the second to fifth years inclusive	71	84
	96	124

### 19 Pension scheme

The company participates in a group hybrid pension scheme (part-defined benefit and part-defined contribution) being The Emerson UK Pension Plan ("the Plan") The Asco Joucomatic Limited section forms part of the defined benefit section of the Plan

#### Defined benefit section

The Plan is operated by Emerson Holding Company Limited (the "Principal Company") The assets of the Plan are administered by a Trustee in a fund independent from those of the company A full actuarial valuation of the Plan (including both the defined benefit and the defined contribution sections of the Plan) was carried out on 1 April 2011 This valuation indicated that the market value of the Plan's assets represented a funding level at 1 April 2011 of 106% of the benefits that had accrued to members, after allowing for the effect of future increases in the earnings of active members

This was the second valuation of the Plan under the scheme specific funding legislation introduced by the Pensions Act 2004 As required by legislation, a Statement of Funding Principles and a new Schedule of Contributions were agreed by the Trustee and the Principal Company and are now in place

## Notes (continued)

### 19 Pension scheme

Following the 1 April 2011 actuarial valuation, it was agreed that the participating employers would contribute to the Plan. The total combined participating employer contributions to the defined benefit sections of the Plan for the year ended 30 September 2013 were £10,000,000 (2012 £14,029,000). This amount was made up of

- contributions paid by the participating employers in March 2013 totaling £6,000,000 and
- contributions paid by the participating employers in September 2013 totaling £4,000,000

The minimum cumulative contributions agreed in the Schedule of Contributions are £30,000,000 between 1 March 2012 and 30 June 2016 of which £18,000,000 need to be paid before 30 June 2014. As of 30 September 2013, £16,000,000 had been contributed leaving a minimum further contribution to be made before 30 June 2016 of £14,000,000 (£2,000,000 of which need to be paid by 30 June 2014).

Due to the company being unable to identify its share of the Plan's assets and liabilities on a consistent and reasonable basis, as permitted by FRS 17, the company has accounted for the defined benefit section of the Plan as if it was a defined contribution scheme.

The profit and loss charge in respect of the company's employer contributions to the Plan for the year amounted to £143,000 (2012 £84,000) and there were £nil contributions outstanding at the year end (2012 £nil).

#### *Defined contribution section*

The company's pension costs for the year in respect of the defined contribution section of the Plan amounted to £81,522 (2012 £76,966). The contributions outstanding at the year-end amounted to £nil (2012 £nil).

### 20 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a subsidiary undertaking of Emerson Holdings Company Limited incorporated in Great Britain.

The Ultimate parent company and group in which the results of the company are consolidated is headed by Emerson Electric Co, which is incorporated in the USA. Accounts of Emerson Electric Co may be obtained from 8000 W Florissant Avenue, PO Box 4100, St Louis, Missouri, MO63136, USA.