

Logitech Limited

Annual report and financial statements

for the year ended 31 December 2016

Registered Number SC42330

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Logitech Limited

Annual report and financial statements

for the year ended 31 December 2016

Contents

Directors and advisers for the year ended 31 December 2016.....	1
Strategic report for the year ended 31 December 2016	2
Directors' report for the year ended 31 December 2016.....	3
Independent auditors' report for the year ended 31 December 2016.....	4,5
Profit and loss account for the year ended 31 December 2016.....	6
Balance sheet as at 31 December 2016.....	7
Statement of changes in equity for the year ended 31 December 2016.....	8
Notes to the financial statements for the year ended 31 December 2016.....	9

Logitech Limited

Directors and advisers

for the year ended 31 December 2016

Directors

RL Owens

D Humphries

J Humphrey

P. Soni

D Liner (Resigned 17 October 2016)

J Stipancich (Appointed 17 October 2016)

Secretary

J Bignall (Resigned 17 October 2016)

Squire Patton Boggs Secreterial Services Limited (Appointed 17 October 2016)

Registered office

Erskine Ferry Road

Old Kilpatrick

Glasgow

G60 5EU

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

141 Bothwell Street

Glasgow

G2 7EQ

Solicitors

Holmes Mackillop

109 Douglas Street

Glasgow

G2 4HB

Squire Patton Boggs (UK) LLP

Rutland House

148 Edmund Street

Birmingham

B3 2JR

Bankers

JPMorgan Chase Bank N.A.

1 Chaseside

Bournemouth

BH7 7DB

Logitech Limited

Strategic report

for the year ended 31 December 2016

The directors present their Strategic Report of the company for the year ended 31 December 2016.

Principal activities

The company's principal activity during the year was that of materials technologists and engineers. The directors are not aware, at the date of this report, of any likely changes in the company's activities in the coming year. There have been no significant changes in the company's principal activities in the year to 31 December 2016.

Review of business and future developments

The company's operating profit improved significantly due to an increase in turnover in Asia and USA.

The directors expect the company to operate at a higher level of performance in 2017 as the economies in Asia and USA continue to grow.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks affecting the company are considered to relate to the general worldwide economic situation. The company manages these risks within a framework of regular reviews and forecasting processes, which enable a timely reaction to any major issues.

Foreign exchange transactional currency exposure

The company is exposed to currency exchange rate risk due to a significant proportion of its receivables being denominated in non-Sterling currencies.

Customer credit exposure

The company may offer credit terms to its customers which allow payment of the debt after delivery of the goods or services. The company is at risk to the extent that a customer may be unable to pay the debt on the specified due date. The risk is mitigated by the strong on-going customer relationships and payments in advance of shipment from higher risk customers.

Key performance indicators ("KPI's")

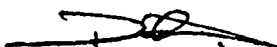
Given the straightforward nature of the business, the directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

Research and development

Research and development is an important part of the company's strategy for the future.

The research and development department continues to be active in a number of areas to maintain the innovative nature of the company's products and services.

On behalf of the Board



D I Humphries
Director
09 May 2017

Logitech Limited

Directors' report

for the year ended 31 December 2016

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2016.

Results and dividends

As shown in the profit and loss account on page 6, the company's revenues have increased by 31% over the prior year and profit on ordinary activities before taxation has increased by 88%. The profit before tax for the financial year was £2,345,639 (2015: £1,246,155). An Interim dividend of £2,000,000 was paid during the year (2015: £nil). No final dividend is proposed (2015: £nil). The profit for the year has been transferred to reserves and the dividend has been paid out of reserves.

Directors

The directors who held office during the year and at the year ended 31 December 2016 and up to the date of signing the financial statements are listed on page 1.

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102)*, 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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

Disclosure of information to auditors

Each director, as at the date of this report, has confirmed that insofar as they are aware there is no relevant audit information (that is, information needed by the Company's auditors in connection with preparing their report) of which the Company's auditors are unaware, and they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

On behalf of the Board


D I Humphries

Director

09 May 2017

Logitech Limited

Independent auditors' report to the members of Logitech Limited

Report on the financial statements

Our opinion

In our opinion, Logitech Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 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.

What we have audited

The financial statements, included within the Annual report and financial statements (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2016;
- the profit and loss account for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' report have been prepared in accordance with applicable legal requirements

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Logitech Limited (cont'd)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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. With respect to the Strategic Report and Directors' report, we consider whether those reports include the disclosures required by applicable legal requirements.



Sharron Moran (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow
09 May 2017

Logitech Limited

Profit and loss account

For the year ended 31 December 2016

	Notes	2016 £	2015 £
Continuing operations			
Turnover	5	6,938,202	5,295,957
Cost of Sales		(1,493,834)	(1,268,810)
Gross Profit		5,444,368	4,027,147
Staff costs	6	(2,375,418)	(2,003,882)
Other operating charges		(1,154,642)	(940,338)
Operating profit	7	1,914,308	1,082,927
Interest receivable and similar income	8	431,331	163,228
Profit on ordinary activities before taxation		2,345,639	1,246,155
Tax on profit on ordinary activities	9	44,616	31,952
Total comprehensive income for the financial year		2,390,255	1,278,107

The company had no other comprehensive income for the year ended 31 December 2016 (2015: nil)

Logitech Limited

Balance sheet as at 31 December 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	10	439,960	534,234
Intangible assets	11	18,981	0
		458,941	534,234
Current assets			
Stocks	12	580,942	656,784
Debtors	13	10,612,254	9,453,658
Cash at bank and in hand		1,387,495	1,457,831
		12,580,691	11,568,273
Creditors: amounts falling due within one year	14	(1,106,644)	(559,774)
Net current assets		11,474,047	11,008,499
Total assets less current liabilities		11,932,988	11,542,733
Net assets		11,932,988	11,542,733
Capital and reserves			
Called up share capital	16	100,000	100,000
Profit and loss account		11,832,988	11,442,733
Total Shareholders' funds		11,932,988	11,542,733

The notes on pages 9 to 20 are an integral part of these financial statements.

The financial statements on pages 6 to 20 were approved by the Board of Directors on 09 May 2017.

Signed on behalf of the board of directors:



D.I. Humphries
Director

Logitech Limited
Company registration no: SC42330

Logitech Limited

Statement of changes in equity

For the year ended 31 December 2016

	Notes	Called-up share capital £	Profit and loss account £	Total £
At 1 January 2015		100,000	10,137,697	10,237,697
Profit and total comprehensive income for the year			1,278,107	1,278,107
Credit in respect of equity settled share based payment	20		26,929	26,929
At 31 December 2015		100,000	11,442,733	11,542,733
Profit and total comprehensive income for the year			2,390,255	2,390,255
Credit in respect of equity settled share based payment	20		0	0
Dividend paid			(2,000,000)	(2,000,000)
At 31 December 2016		100,000	11,832,988	11,932,988

Logitech Limited

Notes to the Financial Statements

For the year ended 31 December 2016

1 Company information

The company is a private limited company incorporated in Scotland with its registered office at Erskine Ferry Road, Old Kilpatrick, Glasgow G60 5EU, Scotland.

2 Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Going concern

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

Statement of compliance

The financial statements of Logitech Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Significant judgements and estimates

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Stock provisioning

The company designs, manufactures and sells materials processing equipment and consumables which are subject to changing industry demands. As a result it is necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials. See note 12 for the net carrying amount of the stock and associated provision.

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile debtors and historical experience. See note 13 for the net carrying amount of the debtors and associated impairment provision.

(iii) Warranty provision

The company makes an estimate of the costs associated with providing one years warranty on it's products. See note 14 for the net carrying amount of the warranty provision.

Logitech Limited

Notes to the Financial Statements

For the year ended 31 December 2016

4 Principal accounting policies

4.1 Exemptions for qualifying entities under FRS102

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions, have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which the member is consolidated. Logitech Limited is a qualifying entity as its results are consolidated into the financial statements of Roper Technologies Inc which are publicly available.

As a qualifying entity, the Company has taken advantage of the following exemptions:

- i) from the requirement to prepare a statement of cash flows as required by paragraph 3.17(d) of FRS 102;
- ii) from the requirement to present certain financial instrument disclosures, as required by sections 11 and 12 of FRS 102;
- iii) from the requirement to present a reconciliation of the number of shares outstanding at the beginning and end of the period as required by paragraph 4.12(a)(iv) of FRS 102;
- iv) from the requirement to disclose the key management personnel compensation in total as required by paragraph 33.7 of FRS 102;
- v) from certain disclosure requirements of section 26 in respect of share based payments.

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company Roper Technologies Inc, includes the company's cash flows in its own consolidated financial statements.

4.2 Tangible assets

Tangible assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method, to allocate cost to their residual values over their estimated useful lives, as follows:

Freehold buildings	25 years
Plant machinery and equipment	3 to 5 years

Repairs and maintenance costs are expensed as incurred.

4.3 Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

4.4 Intangible assets

Intangible assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Intangible asset depreciation is calculated, using the straight-line method, to allocate cost over their estimated useful life of 3 years.

Logitech Limited

Notes to the Financial Statements

For the year ended 31 December 2016

4.5 Stocks

Stocks are stated at the lower of cost, using the first in first out method, and selling price less costs to complete and sell. Where necessary, a specific provision is made for obsolete, slow-moving and defective stock.

4.6 Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is recognised at the present value of the future receipts discounted at a market rate of interest.

4.7 Financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

4.8 Leases

Leases are classified as finance leases whenever the terms of the lease substantially transfer all the risks and rewards of ownership of the leased asset to the company. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the lease term.

4.9 Provisions for liabilities

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 the obligation, and a reasonable 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 end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

The company recognises a provision for annual leave accrued by employees as a result of services rendered in the current period and for future warranty costs arising from products sold in the period.

4.10 Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated and are only recognised to the extent that it is probable they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. 11

Logitech Limited

Notes to the Financial Statements

For the year ended 31 December 2016

4.10 Taxation (cont'd)

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are only offset if:

- the company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- 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

4.11 Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer.

Rendering of services

Turnover from the rendering of services is recognised when the performance of the service has been completed.

4.12 Employee benefits

Short-term employee benefits to defined contribution plans are recognised as an expense in the period in which they are incurred.

All share options referred to relate to ordinary shares of Roper Technologies Inc, the ultimate parent company.

The total charge for the year relating to employee share based payment plans was £nil.

The Roper Industries, Inc. Amended and Restated 2006 Incentive Plan is a stock-based compensation plan used to grant nonqualified stock options to the Company's employees and directors.

Stock options are typically granted at prices not less than 100% of market value of the underlying stock at the date of grant. Stock options typically vest over a period of up to three to five years from the grant date and generally expire seven to ten years after the grant date.

The company has taken advantage of the exemption under FRS 102 paragraph 26.16.

4.13 Foreign currency translation

Functional currency and presentation currency

The financial statements of the company are presented in Sterling (£), the currency of the primary economic environment in which the company operates (its functional currency).

Transactions and balances

In preparing the financial statements of the company, transactions in currencies other than the functional currency of the company are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

Logitech Limited

Notes to the Financial Statements

For the year ended 31 December 2016

5 Turnover

The company's turnover and operating profit relate entirely to its principal activity

The geographical analysis of turnover is

	2016		2015	
	£	%	£	%
United Kingdom	191,910	3	573,641	11
Rest of Europe	1,084,368	16	1,055,771	20
North and South America	2,592,814	37	1,664,729	32
Africa	9,084	0	74,282	1
Asia	2,841,320	41	1,925,562	36
Australasia	218,706	3	1,972	0
	6,938,202	100	5,295,957	100

Analysis of turnover by category

Goods	6,881,040	5,257,059
Services	57,162	38,898
	6,938,202	5,295,957

Turnover represents the invoiced amount of sales exclusive of VAT.

Sales to parties external to the group amounted to £6,441,648 (2015: £4,619,295)

6 Directors and employees

Staff costs during the year were as follows

	2016	2015
	£	£
Wages and salaries	1,964,672	1,626,444
Social security costs	236,352	194,868
Other pensions costs	174,394	155,641
Share based payment expense (note 20)	0	26,929
Staff costs	2,375,418	2,003,882

The company operates a Group Personal Pension Scheme for the benefit of the employees and directors. The assets of the scheme are administered by an independent pensions provider. Pension payments recognised as an expense during the year amount to £174,394 (2015: £155,641).

The accrual for pension payments was £12,318 (2015: £12,439).

The average monthly number of employees of the company during the year was:

	2016	2015
	Number	Number
Production	22	21
Development	8	8
Sales and marketing	6	7
Administration	4	4
	40	40

Logitech Limited

Notes to the Financial Statements

For the year ended 31 December 2016

6 Directors and employees (cont'd)

Remuneration in respect of directors was as follows:

	2016	2015
	£	£
Emoluments (including benefits in kind)	332,926	199,966
Company pension contributions to money purchase pension schemes	8,324	14,837
	341,250	214,803

During the year 2 directors (2015: 2) participated in money purchase pension schemes.

Highest paid director

The highest paid director's emoluments were as follows:

	2016	2015
	£	£
Emoluments (including benefits in kind)	234,110	116,403
Company pension contributions to money purchase pension schemes	6,984	6,798
	241,094	123,201

The highest paid director exercised share options in 2016 (2015: no shares exercised)

Three directors, J Humphrey, P Soni and J Stipancich are paid through the ultimate controlling company, Roper Technologies Inc, and no recharge is made to Logitech Limited in respect of these emoluments

7 Operating Profit on ordinary activities before taxation

Operating Profit before taxation is stated after charging/(crediting):

	2016	2015
	£	£
Auditors remuneration: fees payable to the company's auditor for the audit of the company's annual financial statements	18,650	19,000
Foreign exchange gains(losses)	(60,187)	6,558
Operating lease rentals	19,249	27,523
Research and development expense	546,725	543,696
Release of government grants	0	(3,249)

8 Interest receivable and similar income

	2016	2015
	£	£
Government grants released	0	3,249
Intercompany loan interest receivable	428,271	151,509
Bank interest	3,060	8,470
	431,331	163,228

Logitech Limited

Notes to the Financial Statements

For the year ended 31 December 2016

9 Tax on profit on ordinary activities

The tax income for the year can be reconciled to profit per the profit and loss account as follows:

	2016	2015
	£	£
UK Corporation Tax on profits for the year	0	0
Adjustments in respect of previous periods	0	0
Total current tax	0	0
Deferred taxation : origination and reversal of timing differences	(29,523)	(5,735)
Deferred tax: adjustment in respect of previous periods	(23,848)	(32,289)
Deferred taxation: changes in tax rates	8,755	6,072
Tax on profit on ordinary activities	(44,616)	(31,952)
Profit on ordinary activities before taxation	2,345,639	1,246,155
Profit on ordinary activities multiplied by standard rate of corporation tax of 20.00% (2015: 20.25%)	469,128	252,304
Expenses not deductible for tax purposes	1,894	6,414
Income not subject to tax	0	(658)
Tax rate changes	8,755	6,072
Share options	(16,658)	0
Prior year adjustments	(23,848)	(32,289)
Group relief not paid for	(483,887)	(263,795)
Tax on results on ordinary activities	(44,616)	(31,952)

The main rate of corporation tax was aligned with the small profits rate at 20% with effect from 1 April 2015. Changes to the UK corporation tax rates were enacted as part of the Finance (No.2) Act 2015 which received Royal Assent on 18 November 2015 and Finance Act 2016 which received Royal Assent on 15 September 2016. These include reductions to reduce the main rate to 19% from 1 April 2017 and to 17% from 1 April 2020.

The company has recognised a deferred tax asset of £98,639 (2015: £54,023) as set out in Note 14. The realisation of this asset is expected as the directors believe that suitable taxable profits will arise in the foreseeable future.

Reductions in the tax rate to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. The deferred tax asset on 31 December 2016 has been calculated based on this rate.

Logitech Limited

Notes to the Financial Statements

For the year ended 31 December 2016

10 Tangible assets

	Land and buildings £	Plant machinery and equipment £	Total £
Cost			
At 1 January 2016	1,020,757	3,740,454	4,761,211
Additions	0	67,773	67,773
At 31 December 2016	1,020,757	3,808,227	4,828,984
Accumulated depreciation			
At 1 January 2016	896,488	3,330,489	4,226,977
Charge for the year	6,666	155,381	162,047
At 31 December 2016	903,154	3,485,870	4,389,024
Net book value			
At 31 December 2016	117,603	322,357	439,960
At 31 December 2015	124,269	409,965	534,234

Included within land and buildings is land of £59,324 (2015: £59,324) which is not depreciated.

11 Intangible assets

	Total £
Cost	
At 1 January 2016	0
Additions	20,707
At 31 December 2016	20,707
Accumulated amortisation	
At 1 January 2016	0
Charge for the year	1,726
At 31 December 2016	1,726
Net book value	
At 31 December 2016	18,981
At 31 December 2015	0

12 Stocks

	2016 £	2015 £
Raw materials and consumables	379,196	381,432
Work in progress	154,822	183,385
Finished goods	46,924	91,967
	580,942	656,784

Stock recognised in cost of sales during the year as an expense was £1,344,969 (2015: £1,153,438).

Stocks are stated after provisions for impairment of £217,770 (2015: £165,713).

Notes to the Financial Statements

For the year ended 31 December 2016

13 Debtors

	2016 £	2015 £
Trade debtors	888,613	313,921
Amounts owed by group undertakings	52,318	70,710
Intercompany loans	8,753,286	8,467,221
Corporation tax	655,611	425,611
Deferred tax asset (note 15)	98,639	54,023
Other debtors	32,822	20,074
Prepayments and accrued income	130,965	102,098
	10,612,254	9,453,658

An impairment loss of £4,785 (2015: £6,099) was recognised against trade debtors.

Amounts owed by group undertakings include a loan for £4,500,000 (2015: £4,500,000) which charges interest at 6.5% and is repayable on 10 December 2025.

All other amounts owed by group companies are repayable on demand and have no fixed repayment date. The amounts of £2,060,000, £1,000,000 and £940,000 charge interest at 2.8%, 3% and 5% respectively.

14 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	508,795	226,138
Amounts owed to group undertakings	5,950	27,441
Other taxation and social security	49,457	40,024
Warranty provision	19,862	29,669
Accruals and deferred income	522,580	236,502
	1,106,644	559,774

Amounts owed to group undertakings are unsecured, non-interest bearing, have fixed date of repayment and are repayable on demand.

Logitech Limited

Notes to the Financial Statements

For the year ended 31 December 2016

15 Deferred taxation

	2016 £	2015 £
Provision at start of year	(54,023)	(22,071)
Adjustment in respect of prior years	(23,847)	(32,289)
Deferred tax charge to income statement for the year	(20,769)	337
Provision at end of year	(98,639)	(54,023)

	Booked 31 Dec 16 £	Booked 31 Dec 15 £
Fixed asset timing differences	(103,090)	(57,028)
Short term timing differences	4,451	3,005
Deferred tax asset	(98,639)	(54,023)

Deferred tax (assets)		
Recoverable within 12 months	(12,121)	1,928
Recoverable after 12 months	(90,969)	(58,956)
	(103,090)	(57,028)

Deferred tax (liabilities)		
Recoverable within 12 months	4,451	3,005
Recoverable after 12 months	0	0
	4,451	3,005

A deferred tax asset of £98,639 (2015: £54,023) has been recognised in the year.

The realisation of this asset is expected as the Directors believe that suitable taxable profits will arise in the foreseeable future.

16 Called up share capital

	2016 £	2015 £
Authorised, allotted, issued and fully paid		
100,000 (2015: 100,000) ordinary shares of £1 each	100,000	100,000

17 Capital commitments

No capital expenditure was contracted for but not provided in the financial statements at 31 December 2016 (2015: £nil).

Logitech Limited

Notes to the Financial Statements

For the year ended 31 December 2016

18 Capital and other commitments

The company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods

	2016	2015
	£	£
Payments due		
Not later than one year	18,354	7,166
Later than one year and not later than five years	24,857	1,520
	43,211	8,686

The company had no other off-balance sheet arrangements.

19 Transactions with related parties

The company has taken advantage of the exemption under paragraph 33.1A of FRS 102 'The Financial Reporting Standard', on the grounds that it is a wholly owned subsidiary of a group headed by Roper Technologies Inc., whose financial statements are publicly available.

There are no other related party transactions in the year.

20 Share based payments

All share options referred to relate to ordinary shares of Roper Technologies Inc, the ultimate controlling party.

The total charge for the year relating to employee share based payment plans was £nil (2015: £26,929).

The Roper Industries, Inc. Amended and Restated 2006 Incentive Plan is a stock-based compensation plan used to grant nonqualified stock options to the Company's employees and directors.

Stock options are typically granted at prices not less than 100% of market value of the underlying stock at the date of grant. Stock options typically vest over a period of up to three to five years from the grant date and generally expire seven to ten years after the grant date.

The Company estimates the fair value of its option awards using the Black-Scholes option valuation model.

The stock volatility for each grant is measured using the weighted-average of historical daily price changes of the Company's common stock over the most recent period equal to the expected life of the grant.

The expected term of options granted is derived from historical data to estimate option exercises and employee terminations, and represents the period of time that options granted are expected to be outstanding.

A reconciliation of share option movements over the year to 31 December 2016 is shown below:

	2016		2015	
	No	Weighted average exercise price \$	No	Weighted average exercise price \$
Outstanding at 1 January	1,333	98.58	1,333	98.58
Granted	0	0.00	0	0.00
Forfeited	0	0.00	0	0.00
Exercised	-1,333	98.58	0	98.58
Expired	0	0.00	0	0.00
Outstanding at 31 December	0	0	1,333	98.58
Exercisable at 31 December	0	0	0	0.00

Logitech Limited

Notes to the Financial Statements

For the year ended 31 December 2016

21 Controlling parties

The immediate controlling party is RIL Holding Limited.

The ultimate parent undertaking and controlling party is Roper Technologies Inc, which is incorporated in the USA. Copies of its group financial statements, which include the company, are available from 6901 Professional Parkway East, Suite 200, Sarasota, Florida 34240, USA.