

Designplan Lighting Limited

FINANCIAL STATEMENTS

for the year ended

31 December 2013

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COMPANIES HOUSE

Designplan Lighting Limited

COMPANY INFORMATION

DIRECTORS

P D Williamson
L McCarthy
D K Barnes
P B Barton
A M D Lester

REGISTERED OFFICE

6 Wealdstone Road
Kimpton Industrial Estate
Sutton
Surrey
SM3 9RW

AUDITOR

Baker Tilly UK Audit LLP
Chartered Accountants
Portland
25 High Street
Crawley
West Sussex
RH10 1BG

Designplan Lighting Limited

DIRECTORS' REPORT

The directors submit their report and financial statements of Designplan Lighting Limited for the year ended 31 December 2013.

PRINCIPAL ACTIVITIES

The principal activity of the company is the design, manufacture and sale of light fittings.

DIRECTORS

The directors who served the company during the year were as follows:

P D Williamson	
L McCarthy	
D K Barnes	
P B Barton	
A M D Lester	(Appointed 14 January 2013)
R G Green	(Resigned 4 January 2013)
J D Shew	(Resigned 13 September 2013)

Third party indemnity provision was in place for the benefit of all directors of the company throughout the year.

DONATIONS

During the year the company made charitable donations totalling £250 (2012: £2,600).

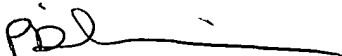
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they 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 it has been communicated to the auditor.

AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

On behalf of the board



P Williamson

Director

13 February 2014

Designplan Lighting Limited

STRATEGIC REPORT

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £833,812 (2012: £424,132). The directors have not recommended a dividend (2012: £2,000,000).

REVIEW OF THE BUSINESS

Domestic trading for the year showed only slight growth over last year, reflecting the on-going difficult market conditions at the start of the year. The businesses exports have however grown significantly as a result of leveraging the group, leading to an overall 6% rise in turnover. This increase and improvements in efficiency has meant that % EBIT has almost doubled.

Stock levels, debtors and creditors have increased in line with the increased demand. Cash flow has remained strong, the apparent reduction in bank balances being an effect of group financing policies, so the overall cash position is up 36%.

RESEARCH AND DEVELOPMENT

The company continues its research and development program to both improve its existing product ranges and to create new products for the future.

MATTERS OF STRATEGIC IMPORTANCE

The company will be looking to expand its business in both domestic and international markets by focussing on key market sectors and continuing to develop innovative solutions to fit the needs of those sectors.

Improvements in the domestic market in the latter half of the year and further expansion into markets served by the group lead us to expect that trading should further improve in 2014.

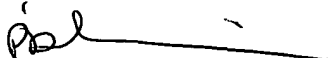
Additionally in 2014, the company will be relocating to new, purpose built premises. This investment should lead to further improvements in efficiency and capacity.

RISKS AND UNCERTAINTIES

The plans for the relocation of the business are being drawn up in such a way as to eliminate any interruption to the continued day to day operations of the company.

The company is not exposed to any material interest rate risk, and risk from exchange rates is managed by trading with customers and suppliers in the same currencies where possible.

On behalf of the board



P Williamson

Director

13 February 2014

Designplan Lighting Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic Report and the 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 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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DESIGNPLAN LIGHTING LIMITED

We have audited the financial statements on pages 6 to 18. 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 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 more fully explained in the Directors' Responsibilities Statement set out on page 4, 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 (APB'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 [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx).

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 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

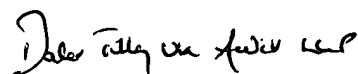
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



JONATHAN ERICSON (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
Portland
25 High Street
Crawley
West Sussex RH10 1BG

25 February 2014

Designplan Lighting Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2013

	Notes	2013 £	2012 £
TURNOVER	1	11,158,120	10,538,639
Cost of sales		(5,681,682)	(5,513,923)
Gross profit		5,476,438	5,024,716
Distribution costs		(926,373)	(787,996)
Administrative expenses		(3,430,074)	(3,660,455)
OPERATING PROFIT	2	1,119,991	576,265
Attributable to:			
Operating profit before exceptional items		1,119,991	873,247
Exceptional items	2	—	(296,982)
		1,119,991	576,265
Interest receivable	5	20,401	20,275
		1,140,392	596,540
Interest payable and similar charges	6	(2,806)	(5,812)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,137,586	590,728
Taxation	7	(303,774)	(166,596)
PROFIT FOR THE FINANCIAL YEAR	21	833,812	424,132

The profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

Designplan Lighting Limited

BALANCE SHEET

31 December 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Intangible assets	9	23,501	—
Tangible assets	10	245,240	156,667
Investments	11	250,002	250,002
		<u>518,743</u>	<u>406,669</u>
CURRENT ASSETS			
Stocks	12	1,338,223	1,160,022
Debtors	13	4,626,363	3,068,240
Cash at bank and in hand		599,669	1,220,465
		<u>6,564,255</u>	<u>5,448,727</u>
CREDITORS			
Amounts falling due within one year	15	(2,755,600)	(2,381,819)
NET CURRENT ASSETS			
		<u>3,808,655</u>	<u>3,066,908</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>4,327,398</u>	<u>3,473,577</u>
PROVISIONS FOR LIABILITIES			
	17	(282,672)	(262,663)
		<u>4,044,726</u>	<u>3,210,914</u>
CAPITAL AND RESERVES			
Called up share capital	20	360,300	360,300
Other reserves	21	214,575	214,575
Profit and loss account	21	3,469,851	2,636,039
SHAREHOLDERS' FUNDS			
	22	<u>4,044,726</u>	<u>3,210,914</u>

The financial statements on pages 6 to 18 were approved by the board of directors and authorised for issue on 13/2/14 and are signed on their behalf by:



P D Williamson

Designplan Lighting Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

The company is exempt from the requirement to prepare group accounts as it is a wholly owned subsidiary of AB Fagerhult, a company registered in Sweden, and the accounts of the company are included in the consolidated accounts of AB Fagerhult, as detailed in note 23. The accounts reflect the results of the company as an individual undertaking and exclude the results of its subsidiary company.

GOING CONCERN

The company's business activities together with the factors likely to affect its future development, performance and position are set out in the review of the business on page 3. The company has considerable financial resources and has continued to operate profitably since the balance sheet date. As a consequence the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

CASH FLOW STATEMENT

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax, and is recognised when goods are provided to customers upon dispatch.

RESEARCH AND DEVELOPMENT

Development expenditure is carried forward when its future recoverability can be foreseen with reasonable assurance and it is amortised over the products useful life. The capitalised development expenditure is stated at cost net of amortisation less any provision for impairment. All research and other development costs are written off as incurred.

AMORTISATION

Amortisation is calculated so as to write off the cost of an intangible fixed asset, less its estimated residual value, over the period during which the benefit is expected to occur:

Product development	- 5 years
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FIXED ASSETS

All fixed assets are stated at cost net of depreciation and any provision for impairment.

DEPRECIATION

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant, machinery and tools	- 3 to 10 years straight line
Computer, furniture and fittings	- 3 to 10 years straight line
Motor vehicles	- 5 years straight line

Designplan Lighting Limited

ACCOUNTING POLICIES

IMPAIRMENTS

Tangible fixed assets, Intangible fixed assets and Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards.

Shortfalls between the carrying value of the assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments in the profit and loss account.

STOCKS

Stocks, including work in progress, are valued at the lower of cost, including an addition for production overheads, where appropriate, and net realisable value which is based upon estimated selling price less estimated costs to complete. Allowance has been made for obsolete or slow moving items.

OPERATING LEASES

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

PENSION COSTS

Contributions to defined contribution pension funds are charged to the profit and loss account as they become payable in accordance with the rules of the funds.

DEFERRED TAXATION

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

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date. A deferred tax asset is not recognised to the extent that the transfer of economic benefits is uncertain. Deferred tax is measured on a non-discounted basis.

FOREIGN CURRENCIES

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange ruling at the date of the transaction. Adjustments due to currency fluctuations arising in the normal course of business are dealt with in the profit and loss account. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Designplan Lighting Limited

ACCOUNTING POLICIES

FINANCIAL INSTRUMENTS

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

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

INVESTMENTS

Investments in the balance sheet are included at cost less provision for impairment. Long term investments are classified as fixed assets.

PROVISIONS FOR LIABILITIES

Provision is made for liabilities arising in respect of potential sales agency commissions under an EU Agency Directive.

Designplan Lighting Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

1 TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

A geographical analysis of turnover is given below:

	2013	2012
	£	£
United Kingdom	9,117,451	8,927,428
Overseas sales	2,040,669	1,611,211
	<u>11,158,120</u>	<u>10,538,639</u>

2 OPERATING PROFIT

Operating profit is stated after charging/(crediting):

	2013	2012
	£	£
Amortisation of intangible assets	1,679	–
Depreciation of owned fixed assets	83,638	80,947
Profit on disposal of fixed assets	(10,456)	(12,850)
Auditor's remuneration for statutory audit	13,750	14,450
Operating lease costs:		
- Plant and equipment	813	13,044
- Other	603,355	509,493
Net (profit)/loss on foreign currency translation	(15,594)	27,346
Exceptional restructuring and redundancy costs	–	296,982
	<u>–</u>	<u>–</u>

3 PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year was:

	2013	2012
	No	No
Production staff	96	105
Sales	20	21
Administration	12	19
	<u>128</u>	<u>145</u>

The aggregate payroll costs of the above were:

	2013	2012
	£	£
Wages and salaries	3,334,003	3,680,180
Social security costs	314,912	349,365
Pension costs	97,025	83,895
	<u>3,745,940</u>	<u>4,113,440</u>

Designplan Lighting Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

4 DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2013	2012
	£	£
Remuneration receivable	436,917	447,937
Value of company pension contributions to money purchase schemes	19,135	18,902
	<u>456,052</u>	<u>466,839</u>

Remuneration of highest paid director:

	2013	2012
	£	£
Total remuneration (excluding pension contributions)	129,867	126,703
Value of company pension contributions to money purchase schemes	6,063	5,917
	<u>135,930</u>	<u>132,620</u>

The number of directors who accrued benefits under company pension schemes was as follows:

	2013	2012
	No	No
Money purchase schemes	<u>6</u>	<u>5</u>

5 INTEREST RECEIVABLE

	2013	2012
	£	£
Bank interest receivable	5,559	20,275
Interest from group undertakings	14,842	—
	<u>20,401</u>	<u>20,275</u>

6 INTEREST PAYABLE AND SIMILAR CHARGES

	2013	2012
	£	£
On bank loans and overdrafts	—	5,812
Interest on other loans	2,806	—
	<u>2,806</u>	<u>5,812</u>

Designplan Lighting Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

7 TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2013 £	2012 £
Current tax:		
UK taxation		
In respect of the year:		
UK Corporation tax based on the results for the year at 23% (2012 - 25%)	259,572	143,145
Under/(over) provision in prior year	19,860	(1,756)
	<u>279,432</u>	<u>141,389</u>
Double taxation relief	(27,632)	(8,357)
	<u>251,800</u>	<u>133,032</u>
Foreign tax		
Current tax on income for the year	35,858	11,308
Adjustments in respect of prior periods	-	(943)
	<u>35,858</u>	<u>10,365</u>
Total current tax	<u>287,658</u>	<u>143,397</u>
Deferred tax:		
Origination and reversal of timing differences	7,434	14,499
Effect of decreased tax rate on opening liability	8,682	8,700
	<u>16,116</u>	<u>23,199</u>
Total deferred tax (note 14)	<u>16,116</u>	<u>23,199</u>
Tax on profit on ordinary activities	<u>303,774</u>	<u>166,596</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 23% (2012 - 25%), as explained below

	2013 £	2012 £
Profit on ordinary activities before taxation	<u>1,137,586</u>	<u>590,728</u>
Profit on ordinary activities by rate of tax	261,645	147,682
Effects of:		
Expenses not deductible for tax purposes	22,740	7,857
Capital allowances for period in excess of depreciation	(6,346)	(6,119)
Tax chargeable at different rates	2,840	(2,970)
Adjustments to tax charge in respect of previous periods	19,860	(1,756)
Foreign tax credits	8,137	2,040
Other short term timing differences	(21,218)	(3,337)
Total current tax (note 7(a))	<u>287,658</u>	<u>143,397</u>

Designplan Lighting Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

7 TAXATION ON ORDINARY ACTIVITIES *(continued)*

(c) Factors that may affect future tax charges

Based on current capital investment plans, the company expects to continue to be able to claim capital allowances in excess of depreciation in future years but at a slightly lower level than in the current year.

The company has brought forward capital losses of £160,948 (2012: £160,948) which are available to offset capital gains in the future.

During the year, the UK main corporation tax rate was 23%, which was substantively enacted on 3 July 2012, effective from 1 April 2013.

Further reductions to the UK corporation tax rate were announced in the March 2013 Budget. The changes, which were enacted in the Finance Bill 2013 on 2 July, propose to reduce the rate to 21% from 1 April 2014 and 20% from 1 April 2015. As such, in accordance with UK GAAP, the rate of 20% is used for the calculation of the deferred tax provision at 31 December 2013 (2012: 23%).

8 DIVIDENDS

Equity dividends

	2013	2012
	£	£
Dividends on equity shares £Nil (2012: £5.55)	<u>—</u>	<u>2,000,000</u>

9 INTANGIBLE FIXED ASSETS

	Product development £
Cost	
Additions	<u>25,180</u>
At 31 December 2013	<u>25,180</u>
Amortisation	
Charge for the year	<u>1,679</u>
At 31 December 2013	<u>1,679</u>
Net book value	
At 31 December 2013	<u>23,501</u>
At 31 December 2012	<u>—</u>

Designplan Lighting Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2013

10 TANGIBLE FIXED ASSETS

	Plant, machinery and tools £	Computer, furniture and fittings £	Motor vehicles £	Total £
Cost				
At 1 January 2013	3,499,331	1,261,389	31,395	4,792,115
Additions	162,535	11,330	–	173,865
Disposals	(21,952)	–	(24,800)	(46,752)
At 31 December 2013	<u>3,639,914</u>	<u>1,272,719</u>	<u>6,595</u>	<u>4,919,228</u>
Depreciation				
At 1 January 2013	3,404,219	1,208,065	23,164	4,635,448
Charge for the year	53,027	26,671	3,940	83,638
On disposals	(21,952)	–	(23,146)	(45,098)
At 31 December 2013	<u>3,435,294</u>	<u>1,234,736</u>	<u>3,958</u>	<u>4,673,988</u>
Net book value				
At 31 December 2013	<u>204,620</u>	<u>37,983</u>	<u>2,637</u>	<u>245,240</u>
At 31 December 2012	<u>95,112</u>	<u>53,324</u>	<u>8,231</u>	<u>156,667</u>

11 INVESTMENTS

	Shares in group undertakings £
Cost	
At 1 January 2013 and 31 December 2013	<u>250,002</u>
Net book value	
At 31 December 2013 and 31 December 2012	<u>250,002</u>

The company holds more than 10% of the equity share capital of the following:

	Country of registration and operation	Equity Class	Proportion held	Nature of business
Designplan International Limited	England	Ordinary	100%	Dormant

The aggregate amount of capital and reserves shown in the balance sheet of Designplan International Limited at 31 December 2013 was £1,072,668. The company's retained profit for 2013 amounted to £nil.

Designplan Lighting Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

12 STOCKS

	2013	2012
	£	£
Raw materials	964,664	866,226
Finished goods	119,205	135,647
Work in progress	254,354	158,149
	<u>1,338,223</u>	<u>1,160,022</u>

13 DEBTORS

	2013	2012
	£	£
Trade debtors	1,707,112	1,655,108
Amounts owed by group undertakings	2,658,359	1,096,311
Corporation tax repayable	–	62,421
Other debtors	4,732	6,407
Prepayments and accrued income	205,712	181,429
Deferred taxation (note 14)	50,448	66,564
	<u>4,626,363</u>	<u>3,068,240</u>

14 DEFERRED TAXATION

The deferred taxation included in the balance sheet is as follows:

	2013	2012
	£	£
Included in debtors (note 13)	<u>50,448</u>	<u>66,564</u>

The movement in the deferred taxation account during the year was:

	2013	2012
	£	£
Balance brought forward	66,564	88,353
Deferred tax on hive up of subsidiary trade and assets	–	1,410
Profit and loss account movement arising during the year	(16,116)	(23,199)
Balance carried forward	<u>50,448</u>	<u>66,564</u>

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

	2013	2012
	£	£
Excess of depreciation over taxation allowances	49,108	62,822
Other timing differences	<u>1,340</u>	<u>3,742</u>
	<u>50,448</u>	<u>66,564</u>

The provision is based on a corporation tax rate of 20% (2012: 23%). Deferred tax on capital tax losses of £32,190 (2012: £37,018) is not included in the balance sheet as there is presently no likelihood of recovery.

Designplan Lighting Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

15 CREDITORS: Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	926,229	732,331
Amounts owed to group undertakings	1,072,668	1,072,668
Corporation tax	125,858	—
PAYE and social security	83,764	96,127
VAT	154,053	202,754
Other creditors	47,371	11,583
Accruals and deferred income	345,657	266,356
	<u>2,755,600</u>	<u>2,381,819</u>

16 PENSIONS

The company operates two types of defined contributions pension schemes. Both of these are funded defined contribution personal pension plans where the assets are held separately for individual members and are not available generally to all members. The total contributions to these plans were £97,025 (2012: £83,895). At the balance sheet date there were outstanding contributions totalling £10,760 (2012: £11,583) due to these pension schemes.

17 PROVISIONS FOR LIABILITIES

	2013
	£
Provision:	
Balance brought forward	262,663
Provided during the year	20,009
Balance carried forward	<u>282,672</u>
Total provisions	<u>282,672</u>

Provision is made, at the rate of 0.5% of net invoiced sales generated by each agent, for amounts likely to be payable by the company to sales consultants operating in Europe on retirement, under the EU Agency Directive, assuming that each consultant continues to operate until reaching retirement at age 65.

18 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as set out below.

	2013		2012	
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Operating leases which expire:				
Within 1 year	536,000	17,749	93,478	3,722
Within 2 to 5 years	-	81,060	536,000	89,530
After more than 5 years	726,758	-	-	-
	<u>1,262,758</u>	<u>98,809</u>	<u>629,478</u>	<u>93,252</u>

Designplan Lighting Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2013

19 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption from reporting transactions with other wholly-owned group companies conferred by Financial Reporting Standard No 8 on the grounds that it is a wholly-owned subsidiary of an ultimate holding company which publishes consolidated accounts.

20 SHARE CAPITAL

	2013 £	2012 £
Allotted, called up and fully paid: 360,300 Ordinary shares of £1 each	<u>360,300</u>	<u>360,300</u>

21 RESERVES

	Capital redemption reserve £	Profit and loss account £
Balance brought forward	214,575	2,636,039
Profit for the year	—	833,812
Balance carried forward	<u>214,575</u>	<u>3,469,851</u>

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Profit for the financial year	833,812	424,132
Equity dividends	—	(2,000,000)
Net addition/(reduction) to shareholders' funds	<u>833,812</u>	<u>(1,575,868)</u>
Opening shareholders' funds	3,210,914	4,786,782
Closing shareholders' funds	<u>4,044,726</u>	<u>3,210,914</u>

23 ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The company's immediate parent company is Fagerhults Belysning AB and the ultimate holding company is AB Fagerhult, both incorporated in Sweden. AB Fagerhult is considered to be the company's controlling party.

The largest and smallest group preparing consolidated accounts that include the results of the company is AB Fagerhult. These accounts can be obtained from AB Fagerhult, SE-566 80 Habo, Sweden.