

**Strategic Report, Report of the Directors and
Financial Statements
for the Period
1 October 2015 to 31 December 2016
for
Lucent Lighting Limited**

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for the Period 1 October 2015 to 31 December 2016**

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**Company Information
for the Period 1 October 2015 to 31 December 2016**

DIRECTORS:

V A Dunk
M J D Dunk

SECRETARY:

V A Dunk

REGISTERED OFFICE:

1345 High Road
London
N20 9HR

REGISTERED NUMBER:

02810647 (England and Wales)

AUDITORS:

GREGORY WILDMAN
Chartered Accountants
Statutory Auditors
The Granary
Crowhill Farm
Ravensden Road
Wilden
Bedfordshire
MK44 2QS

**Strategic Report
for the Period 1 October 2015 to 31 December 2016**

The directors present their strategic report for the period 1 October 2015 to 31 December 2016.

REVIEW OF BUSINESS

As shown in the company's statement of comprehensive income, the turnover for the fifteen month period of £13,273,623 has shown a 46.83% increase in turnover over the prior twelve month period which has resulted in a gross profit of £5,525,619 (2015 - £3,392,330) and a profit on ordinary activities before tax of £2,452,588 (2015 - £787,756).

The company continues to expand its market with new distributors appointed in Sweden, Germany, Austria, Switzerland, Spain and the Netherlands. The company has also appointed new agents in the US market. The company continues to have significant new product development and additional sales personnel help provide confidence to the Directors of future growth for the company.

PRINCIPAL RISKS AND UNCERTAINTIES

Credit risk

The company manages its credit risk through maintaining strong links with its customers. Management review credit terms and overdue balances regularly. The company takes payments in advance to mitigate credit risks on orders.

Foreign exchange risk

The functional currency is GB sterling. The directors believe that the main risk to the company is from fluctuations in the value of the Dollar, as most stock purchases are made in Dollars. The directors mitigate this risk by holding reserves of Dollars from sales made, and only transferring Dollars into GB sterling where there is an excess.

The company is exposed to a exchange rate risk on balances invoiced in US Dollars and Euros. Management monitor exposure to exchange rate risk and where appropriate will consider the use of hedging instruments.

Foreign exchange differences on the revaluation of foreign currency assets and liabilities are taken to the profit and loss account.

Liquidity and cashflow risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The group ensures that there are adequate funds available to meet its operational requirements.

FINANCIAL INSTRUMENTS

Financial risk management objectives and policies


The company's principal financial instruments comprise bank balances, including bank loans and overdrafts, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of an overdraft at floating rates of interest. The business' cash balances are held in such a way that achieves a competitive rate of interest.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditor's liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

ON BEHALF OF THE BOARD:


.....
V A Dunk - Secretary

Date: 28 SEPTEMBER 2016

**Report of the Directors
for the Period 1 October 2015 to 31 December 2016**

The directors present their report with the financial statements of the company for the period 1 October 2015 to 31 December 2016.

DIVIDENDS

The total distribution of dividends for the period ended 31 December 2016 will be £664,801.

RESEARCH AND DEVELOPMENT

The company is investing in an expanded technical area for the testing of products with new photometric equipment ordered for 2017.

FUTURE DEVELOPMENTS

The company has taken on another warehouse and assembly facility, which has effectively doubled the current space and has since moved into the new premises at the beginning of 2017. The company has established a dedicated testing area, and are expanding its product range to encompass new ranges of miniature downlights and inground / inwall marker lights.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2015 to the date of this report.

V A Dunk
M J D Dunk

GOING CONCERN

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, and its exposures to credit, foreign exchange and liquidity and cashflow risk are described in the Strategic Report on page 2.

The company has considerable financial resources, together with a large database of customers and suppliers across different geographic areas. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

**Report of the Directors
for the Period 1 October 2015 to 31 December 2016**

STATEMENT OF DIRECTORS' RESPONSIBILITIES - continued

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations and in accordance with UK GAAP.

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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, GREGORY WILDMAN, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

.....
V A Dunk - Secretary

Date: 28 SEPTEMBER 2017

Report of the Independent Auditors to the Members of Lucent Lighting Limited

We have audited the financial statements of Lucent Lighting Limited for the period ended 31 December 2016 on pages seven to twenty seven. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors 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.

Basis for qualified opinion on financial statements

With respect to stock as at the 30th September 2015 having a carrying amount of £1,471,084, the audit evidence as at last year's audit was limited, because whilst we did observe the counting of the physical stock as at that date, the number of errors identified rendered the count unreliable and a re-count was not considered to be practicable by the management. Due to limitations in the company's stock control system, we were unable to verify the accuracy of the cut-off at the prior year end. Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence regarding the stock quantities and cut off by using other audit procedures as at 30th September 2015. Consequently, we were unable to determine whether any adjustments to the stock carrying amount at 30th September 2015 were necessary. Our audit opinion on the financial statements for the year ended 30th September 2015 was modified accordingly. Our opinion on the current period's financial statements is also modified because of the possible effect of this matter on the current period's figures and the corresponding figures.

Qualified opinion on financial statements

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, 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 period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Lucent Lighting Limited**

Matters on which we are required to report by exception

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

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



David Lewsley FCA (Senior Statutory Auditor)
for and on behalf of GREGORY WILDMAN
Chartered Accountants
Statutory Auditors
The Granary
Crowhill Farm
Ravensden Road
Wilden
Bedfordshire
MK44 2QS

Date: 29-9-2017

**Statement of Comprehensive Income
for the Period 1 October 2015 to 31 December 2016**

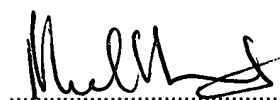
	Notes	Period 1.10.15 to 31.12.16 £	Year Ended 30.9.15 £
TURNOVER	4	13,273,623	9,039,855
Cost of sales		7,748,004	5,647,525
GROSS PROFIT		5,525,619	3,392,330
Administrative expenses		3,070,003	2,596,361
OPERATING PROFIT	7	2,455,616	795,969
Interest receivable and similar income		2,169	-
		2,457,785	795,969
Interest payable and similar expenses	9	5,197	8,213
PROFIT BEFORE TAXATION		2,452,588	787,756
Tax on profit	10	416,986	108,198
PROFIT FOR THE FINANCIAL PERIOD		2,035,602	679,558
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		2,035,602	679,558

The notes form part of these financial statements

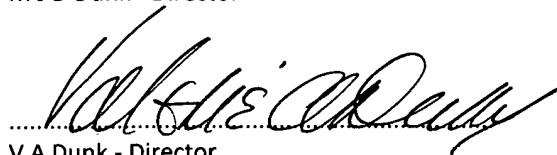
Statement of Financial Position
31 December 2016

	Notes	31.12.16 £	£	30.9.15 £	£
FIXED ASSETS					
Intangible assets	12		-		-
Tangible assets	13		410,102		467,539
Investments	14		617		617
			<u>410,719</u>		<u>468,156</u>
CURRENT ASSETS					
Stocks	15	1,745,684		1,471,084	
Debtors	16	3,743,502		2,011,619	
Cash at bank and in hand		398,975		198,209	
		<u>5,888,161</u>		<u>3,680,912</u>	
CREDITORS					
Amounts falling due within one year	17	3,147,447		2,362,778	
		<u></u>		<u></u>	
NET CURRENT ASSETS			<u>2,740,714</u>		<u>1,318,134</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,151,433</u>		<u>1,786,290</u>
CREDITORS					
Amounts falling due after more than one year	18		(30,606)		(26,527)
PROVISIONS FOR LIABILITIES	22		(95,263)		(105,000)
			<u></u>		<u></u>
NET ASSETS			<u><u>3,025,564</u></u>		<u><u>1,654,763</u></u>
CAPITAL AND RESERVES					
Called up share capital	23		100		100
Capital redemption reserve	24		25,000		25,000
Retained earnings	24		3,000,464		1,629,663
			<u></u>		<u></u>
SHAREHOLDERS' FUNDS			<u><u>3,025,564</u></u>		<u><u>1,654,763</u></u>

The financial statements were approved by the Board of Directors on 20 SEPTEMBER 2017 and were signed on its behalf by:



M J D Dunk - Director



V A Dunk - Director

The notes form part of these financial statements

**Statement of Changes in Equity
for the Period 1 October 2015 to 31 December 2016**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 October 2014	100	1,485,105	25,000	1,510,205
Changes in equity				
Dividends	-	(535,000)	-	(535,000)
Total comprehensive income	-	679,558	-	679,558
Balance at 30 September 2015	100	1,629,663	25,000	1,654,763
Changes in equity				
Dividends	-	(664,801)	-	(664,801)
Total comprehensive income	-	2,035,602	-	2,035,602
Balance at 31 December 2016	100	3,000,464	25,000	3,025,564

The notes form part of these financial statements

Statement of Cash Flows
for the Period 1 October 2015 to 31 December 2016

	Notes	Period 1.10.15 to 31.12.16 £	Year Ended 30.9.15 £
Cash flows from operating activities			
Cash generated from operations	1	1,454,100	821,968
Interest paid		(964)	(3,343)
Interest element of hire purchase payments paid		(4,233)	(4,870)
Tax paid		(110,991)	(130,061)
Net cash from operating activities		<u>1,337,912</u>	<u>683,694</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(233,285)	(317,087)
Sale of tangible fixed assets		17,885	35,374
Lease dilapidation		-	80,000
Interest received		2,169	-
Net cash from investing activities		<u>(213,231)</u>	<u>(201,713)</u>
Cash flows from financing activities			
Loan repayments in year		(51,323)	(53,696)
Capital repayments in year		(12,052)	(14,866)
Amount introduced by directors		-	7,177
Amount withdrawn by directors		(1,679)	(5,615)
Group undertaking repayments in year		(468,650)	49,164
Equity dividends paid		(664,801)	(535,000)
Net cash from financing activities		<u>(1,198,505)</u>	<u>(552,836)</u>
Decrease in cash and cash equivalents		(73,824)	(70,855)
Cash and cash equivalents at beginning of period	2	198,209	269,064
Cash and cash equivalents at end of period	2	<u><u>124,385</u></u>	<u><u>198,209</u></u>

The notes form part of these financial statements

**Notes to the Statement of Cash Flows
for the Period 1 October 2015 to 31 December 2016**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Period 1.10.15 to 31.12.16 £	Year Ended 30.9.15 £
Profit before taxation	2,452,588	787,756
Depreciation charges	277,344	239,827
Profit on disposal of fixed assets	(4,507)	(10,401)
Finance costs	5,197	8,213
Finance income	(2,169)	-
	<u>2,728,453</u>	<u>1,025,395</u>
Increase in stocks	(274,600)	(65,337)
Increase in trade and other debtors	(1,263,233)	(564,290)
Increase in trade and other creditors	263,480	426,200
	<u>1,454,100</u>	<u>821,968</u>
Cash generated from operations	<u><u>1,454,100</u></u>	<u><u>821,968</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Period ended 31 December 2016

	31.12.16 £	1.10.15 £
Cash and cash equivalents	398,975	198,209
Bank overdrafts	(274,590)	-
	<u>124,385</u>	<u>198,209</u>

Year ended 30 September 2015

	30.9.15 £	1.10.14 £
Cash and cash equivalents	198,209	269,064

**Notes to the Financial Statements
for the Period 1 October 2015 to 31 December 2016**

1. COMPANY INFORMATION

The principal activity of the company in the period under review was that of manufacture and sales through specification of energy efficient, architectural grade lighting fixtures sold and distributed internationally.

2. STATUTORY INFORMATION

Lucent Lighting Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

This is the first year in which the financial statements have been prepared under FRS102.

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.

The Company operates within one principal activity, that of manufacture and sales through specification of energy efficient, architectural grade lighting fixtures sold and distributed internationally.

The Company operates within three main geographical markets; the United Kingdom, Europe and the Rest of the World.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 1993, has been fully amortised over its estimated useful life of twenty years.

Tangible fixed assets

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Capitalised dilapidations - over the period of the lease.

Improvements to property - in accordance with the property.

Plant and machinery - 30% on cost.

Fixtures and fittings - 30% on cost.

Motor vehicles - 25% on reducing balance.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Net realisable value is based on the estimated selling price less any further costs expected to be incurred to completion and disposal.

**Notes to the Financial Statements - continued
for the Period 1 October 2015 to 31 December 2016**

3. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing differences.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Transactions in foreign currencies are initially recorded in the company's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operated a defined contribution pension scheme for the benefit of its employees. The pension cost charged for the period represents contributions payable by the company to the scheme and amounts to £105,261 (2015 - £89,091).

At the balance sheet date the company had unpaid pension liabilities of £3,870 (2015 - £5,127).

Judgements and key sources of estimation uncertainty

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 22.

Impairment of non-financial assets

Where there are indicators of impairment of individual assets the company performs impairment tests based on fair value less costs to sell. The fair value less costs to sell calculation is based on observable market prices less incremental costs for disposing of the asset. If the fair value less costs to sell is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in profit and loss.

An impairment loss recognised for all assets is reversed in a subsequent period if and only if the reasons for the impairment loss have ceased to apply.

Notes to the Financial Statements - continued
for the Period 1 October 2015 to 31 December 2016

3. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the cash flow, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from the impairment are recognised in the income statement in other operating expenses.

4. TURNOVER

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

An analysis of turnover by geographical market is given below:

	Period 1.10.15 to 31.12.16 £	Year Ended 30.9.15 £
United Kingdom	4,255,479	3,197,561
Europe	2,043,806	1,384,535
Rest of the world	6,974,338	4,457,759
	<u>13,273,623</u>	<u>9,039,855</u>

5. EMPLOYEES AND DIRECTORS

	Period 1.10.15 to 31.12.16 £	Year Ended 30.9.15 £
Wages and salaries	1,559,525	1,225,327
Social security costs	136,940	120,414
Other pension costs	105,261	89,091
	<u>1,801,726</u>	<u>1,434,832</u>

The average monthly number of employees during the period was as follows:

	Period 1.10.15 to 31.12.16	Year Ended 30.9.15
Administration	18	17
Sales	5	4
Warehouse	11	12
	<u>34</u>	<u>33</u>

Notes to the Financial Statements - continued
for the Period 1 October 2015 to 31 December 2016

6. DIRECTORS' EMOLUMENTS

	Period 1.10.15 to 31.12.16 £	Year Ended 30.9.15 £
Directors' remuneration	113,073	109,818
Directors' pension contributions to money purchase schemes	<u>75,333</u>	<u>72,000</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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7. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	Period 1.10.15 to 31.12.16 £	Year Ended 30.9.15 £
Other operating leases	180,846	122,526
Depreciation - owned assets	241,002	199,000
Depreciation - assets on hire purchase contracts	36,342	40,828
Profit on disposal of fixed assets	(4,507)	(10,401)
Foreign exchange differences	<u>(212,049)</u>	<u>(4,197)</u>

8. AUDITORS' REMUNERATION

	Period 1.10.15 to 31.12.16 £	Year Ended 30.9.15 £
Fees payable to the company's auditors for the audit of the company's financial statements	55,457	40,520
Auditors' remuneration for non audit work	<u>36,996</u>	<u>21,359</u>

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.10.15 to 31.12.16 £	Year Ended 30.9.15 £
Bank interest	964	3,343
Hire purchase	<u>4,233</u>	<u>4,870</u>
	<u>5,197</u>	<u>8,213</u>

Notes to the Financial Statements - continued
for the Period 1 October 2015 to 31 December 2016

10. TAXATION

Analysis of the tax charge

The tax charge on the profit for the period was as follows:

	Period 1.10.15 to 31.12.16 £	Year Ended 30.9.15 £
Current tax:		
UK corporation tax	426,723	110,991
Deferred tax	(9,737)	(2,793)
Tax on profit	<u>416,986</u>	<u>108,198</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.10.15 to 31.12.16 £	Year Ended 30.9.15 £
Profit before tax	<u>2,452,588</u>	<u>787,756</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.451%)	490,518	161,104
Effects of:		
Expenses not deductible for tax purposes	13,237	15,068
Depreciation in excess of capital allowances	3,744	4,438
Difference in tax rates	(1,250)	(1,323)
Research and development enhanced deduction	(89,263)	(71,089)
Total tax charge	<u>416,986</u>	<u>108,198</u>

A reduction of the UK corporation tax rate from 21% to 20% took effect from 1 April 2015.

11. DIVIDENDS

	Period 1.10.15 to 31.12.16 £	Year Ended 30.9.15 £
Ordinary shares of £1 each		
Interim	<u>664,801</u>	<u>535,000</u>

Notes to the Financial Statements - continued
for the Period 1 October 2015 to 31 December 2016

12. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 October 2015	
and 31 December 2016	<u>72,801</u>
AMORTISATION	
At 1 October 2015	
and 31 December 2016	<u>72,801</u>
NET BOOK VALUE	
At 31 December 2016	<u>-</u>
At 30 September 2015	<u>-</u>

13. TANGIBLE FIXED ASSETS

	Capitalised dilapidations £	Improvements to property £	Plant and machinery £
COST			
At 1 October 2015	80,000	66,532	551,993
Additions	-	18,858	94,744
	<u>80,000</u>	<u>85,390</u>	<u>646,737</u>
At 31 December 2016			
DEPRECIATION			
At 1 October 2015	13,259	20,558	406,374
Charge for period	8,329	8,157	129,454
Eliminated on disposal	-	-	-
	<u>21,588</u>	<u>28,715</u>	<u>535,828</u>
At 31 December 2016			
NET BOOK VALUE			
At 31 December 2016	<u>58,412</u>	<u>56,675</u>	<u>110,909</u>
At 30 September 2015	<u>66,741</u>	<u>45,974</u>	<u>145,619</u>

Notes to the Financial Statements - continued
for the Period 1 October 2015 to 31 December 2016

13. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 October 2015	456,613	295,793	1,450,931
Additions	63,313	56,370	233,285
Disposals	-	(31,710)	(31,710)
At 31 December 2016	519,926	320,453	1,652,506
DEPRECIATION			
At 1 October 2015	400,876	142,325	983,392
Charge for period	73,004	58,400	277,344
Eliminated on disposal	-	(18,332)	(18,332)
At 31 December 2016	473,880	182,393	1,242,404
NET BOOK VALUE			
At 31 December 2016	46,046	138,060	410,102
At 30 September 2015	55,737	153,468	467,539

The capitalised dilapidations cost of £80,000 , NBV of £58,412 (2015 - £66,741) has been included in the accounts via a dilapidation provision, see note 22.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 October 2015	206,896
Additions	56,370
Transfer to ownership	(113,348)
At 31 December 2016	149,918
DEPRECIATION	
At 1 October 2015	84,413
Charge for period	36,342
Transfer to ownership	(56,751)
At 31 December 2016	64,004
NET BOOK VALUE	
At 31 December 2016	85,914
At 30 September 2015	122,483

Notes to the Financial Statements - continued
for the Period 1 October 2015 to 31 December 2016

14. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
COST	
At 1 October 2015 and 31 December 2016	617
NET BOOK VALUE	
At 31 December 2016	617
At 30 September 2015	617

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Lucent Lighting INC

Registered office: 350 Jericho Tpke, Suite 1, Jericho, New York, 11753, USA

Nature of business: Lighting distributors

	% holding	31.12.16	30.9.15
Class of shares:			
Ordinary	100.00	£	£
Aggregate capital and reserves		(37,248)	(6,814)
Loss for the period/year		(92,813)	(5,503)

15. **STOCKS**

	31.12.16	30.9.15
	£	£
Finished goods	1,723,362	1,420,954
Goods in transit	22,322	50,130
	1,745,684	1,471,084

16. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.16	30.9.15
	£	£
Trade debtors	2,786,633	1,662,991
Amounts owed by group undertakings	626,788	158,138
Other debtors	13,186	20,625
VAT	263,202	118,228
Prepayments	53,693	51,637
	3,743,502	2,011,619

**Notes to the Financial Statements - continued
for the Period 1 October 2015 to 31 December 2016**

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.16	30.9.15
	£	£
Bank loans and overdrafts (see note 19)	274,590	51,323
Hire purchase contracts (see note 20)	25,014	41,145
Trade creditors	1,790,750	1,282,213
Tax	426,723	110,991
Social security and other taxes	27,070	26,060
Other creditors	135,470	5,127
Sales deposits	246,689	166,176
Directors' current accounts	-	1,679
Accrued expenses	221,141	678,064
	<u>3,147,447</u>	<u>2,362,778</u>

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.16	30.9.15
	£	£
Hire purchase contracts (see note 20)	<u>30,606</u>	<u>26,527</u>

19. LOANS

An analysis of the maturity of loans is given below:

	31.12.16	30.9.15
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	274,590	-
Bank loans	-	51,323
	<u>274,590</u>	<u>51,323</u>

Notes to the Financial Statements - continued
for the Period 1 October 2015 to 31 December 2016

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.12.16	30.9.15
	£	£
Gross obligations repayable:		
Within one year	27,570	44,322
Between one and five years	32,453	28,012
	<u>60,023</u>	<u>72,334</u>
Finance charges repayable:		
Within one year	2,556	3,177
Between one and five years	1,847	1,485
	<u>4,403</u>	<u>4,662</u>
Net obligations repayable:		
Within one year	25,014	41,145
Between one and five years	30,606	26,527
	<u>55,620</u>	<u>67,672</u>
	Non-cancellable operating leases	
	31.12.16	30.9.15
	£	£
Within one year	218,952	100,653
Between one and five years	857,816	346,648
In more than five years	858,461	101,650
	<u>1,935,229</u>	<u>548,951</u>

In the period, the company took on 10 year leases for two warehouses.

21. SECURED DEBTS

There is a debenture dated 24 May 2012 including a fixed charge over all freehold and leasehold property; First fixed charge over book and other debts, uncalled capital, chattels and goodwill both present and future; and first floating charge over all assets and undertaking both present and future given by the company to HSBC Bank PLC.

22. PROVISIONS FOR LIABILITIES

	31.12.16	30.9.15
	£	£
Deferred tax	15,263	25,000
Lease dilapidations	80,000	80,000
	<u>95,263</u>	<u>105,000</u>

Notes to the Financial Statements - continued
for the Period 1 October 2015 to 31 December 2016

22. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 October 2015	25,000
Accelerated capital allowances	(8,487)
Changes in tax rates	(1,250)
	<hr/>
Balance at 31 December 2016	15,263
	<hr/> <hr/>

23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	31.12.16 £	30.9.15 £
NIL	Ordinary	£1	-	2
(30.9.15 - 2)				
100	A Ordinary	£1	100	98
(30.9.15 - 98)				
			<hr/>	<hr/>
			100	100
			<hr/> <hr/>	<hr/> <hr/>

Shares rank equally for voting purposes. On a show of hands each member shall have one vote and on a poll each member shall have one vote per share held.

The 19,998 A Ordinary shares of £1 each shall have the same rights as the Ordinary shares except that the Ordinary shares of £1 each shall have preference as to the payment of a dividend against the A Ordinary shares of £1 each.

Each share ranks equally for any distribution made on a winding up. The shares are not redeemable.

24. RESERVES

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 October 2015	1,629,663	25,000	1,654,663
Profit for the period	2,035,602		2,035,602
Dividends	(664,801)		(664,801)
	<hr/>	<hr/>	<hr/>
At 31 December 2016	3,000,464	25,000	3,025,464
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Called up share capital - represents the nominal value of shares that have been issued.

Capital redemption reserve - represents the nominal value of shares repurchased by the company.

Retained earnings - includes all current and prior period retained profits and losses.

**Notes to the Financial Statements - continued
for the Period 1 October 2015 to 31 December 2016**

25. ULTIMATE PARENT COMPANY

Lucent Lighting Holdings Limited is regarded by the directors as being the company's ultimate parent company.

The company is not required to produce group accounts as it is a wholly-owned subsidiary, of which the ultimate parent company, as above, will be responsible for the preparation of the full group accounts.

The consolidated group accounts including the results of Lucent Lighting Limited is filed by Lucent Lighting Holdings Limited. Copies of the financial statements for Lucent Lighting Holdings Limited are publicly available at Companies House.

Lucent Lighting Holdings Limited's registered office address is 1345 High Road, London, N20 9HR.

26. CONTINGENT LIABILITIES

There is a guarantee dated 12 June 2012 in favour of HM Revenue and Customs for £10,000 held by HSBC PLC.

27. RELATED PARTY DISCLOSURES

During the period, the company became under the control of Lucent Lighting Holdings Limited.

At the balance sheet date the following unsecured net balances were due from other group companies:-

Lucent Lighting Inc - £626,788 (2015 - £158,138).

All balances are interest-free and repayable upon demand.

In accordance with FRS 102, the company claims exemption from disclosing transactions with other group entities, due to the company being a fully-owned subsidiary.

28. TRANSITION TO FRS 102

The company transitioned to FRS 102 from previously extant UK GAAP as at 1 October 2015.

There was no impact from the transition to FRS 102.

29. CHANGE OF FINANCIAL YEAR END

The financial year end of the company was changed from 30 September to 31 December, to amalgamate all group companies year ends.

Accordingly, the comparative figures for the income statements, statement of changes of equity and the related notes are for twelve months from 1st October 2014 to 30th September 2015.

30. KEY MANAGEMENT PERSONNEL

All individuals who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. Total salary in respect of these individuals is £481,403 (2015 - £345,454).

**Notes to the Financial Statements - continued
for the Period 1 October 2015 to 31 December 2016**

31. GROUP RECONSTRUCTION

A group reconstruction took place on the 6th September 2016 which brought the companies detailed below under control of Lucent Lighting Holdings Limited:

Lucent Lighting Limited
Lucent Lighting Inc
Lucent Lighting (USA) Limited
Acre 1196 Limited

Reconciliation of Equity
1 October 2014
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		415,253	-	415,253
Investments		617	-	617
		<u>415,870</u>	<u>-</u>	<u>415,870</u>
CURRENT ASSETS				
Stocks		1,405,747	-	1,405,747
Debtors		1,496,493	-	1,496,493
Cash at bank and in hand		269,064	-	269,064
		<u>3,171,304</u>	<u>-</u>	<u>3,171,304</u>
CREDITORS				
Amounts falling due within one year		(1,960,777)	-	(1,960,777)
NET CURRENT ASSETS		<u>1,210,527</u>	<u>-</u>	<u>1,210,527</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,626,397	-	1,626,397
CREDITORS				
Amounts falling due after more than one year		(88,399)	-	(88,399)
PROVISIONS FOR LIABILITIES		<u>(27,793)</u>	<u>-</u>	<u>(27,793)</u>
NET ASSETS		<u><u>1,510,205</u></u>	<u><u>-</u></u>	<u><u>1,510,205</u></u>
CAPITAL AND RESERVES				
Called up share capital		100	-	100
Capital redemption reserve		25,000	-	25,000
Retained earnings		1,485,105	-	1,485,105
SHAREHOLDERS' FUNDS		<u><u>1,510,205</u></u>	<u><u>-</u></u>	<u><u>1,510,205</u></u>

The notes form part of these financial statements

Reconciliation of Equity - continued
30 September 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		467,539	-	467,539
Investments		617	-	617
		<u>468,156</u>	<u>-</u>	<u>468,156</u>
CURRENT ASSETS				
Stocks		1,471,084	-	1,471,084
Debtors		2,011,619	-	2,011,619
Cash at bank and in hand		198,209	-	198,209
		<u>3,680,912</u>	<u>-</u>	<u>3,680,912</u>
CREDITORS				
Amounts falling due within one year		(2,362,778)	-	(2,362,778)
NET CURRENT ASSETS		<u>1,318,134</u>	<u>-</u>	<u>1,318,134</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,786,290</u>	<u>-</u>	<u>1,786,290</u>
CREDITORS				
Amounts falling due after more than one year		(26,527)	-	(26,527)
PROVISIONS FOR LIABILITIES		<u>(105,000)</u>	<u>-</u>	<u>(105,000)</u>
NET ASSETS		<u><u>1,654,763</u></u>	<u><u>-</u></u>	<u><u>1,654,763</u></u>
CAPITAL AND RESERVES				
Called up share capital		100	-	100
Capital redemption reserve		25,000	-	25,000
Retained earnings		1,629,663	-	1,629,663
SHAREHOLDERS' FUNDS		<u><u>1,654,763</u></u>	<u><u>-</u></u>	<u><u>1,654,763</u></u>

The notes form part of these financial statements

**Reconciliation of Profit
for the Year Ended 30 September 2015**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	9,039,855	-	9,039,855
Cost of sales	(5,647,525)	-	(5,647,525)
GROSS PROFIT	3,392,330	-	3,392,330
Administrative expenses	(2,596,361)	-	(2,596,361)
OPERATING PROFIT	795,969	-	795,969
Interest payable and similar expenses	(8,213)	-	(8,213)
PROFIT BEFORE TAXATION	787,756	-	787,756
Tax on profit	(108,198)	-	(108,198)
PROFIT FOR THE FINANCIAL PERIOD	679,558	-	679,558