REGISTERED NUMBER: 02810647 (England and Wales)

Strategic Report, Report of the Directors and

Financial Statements

for the Year Ended 31 December 2017

for

Lucent Lighting Limited

Contents of the Financial Statements
for the Year Ended 31 December 2017

Company Information
for the Year Ended 31 December 2017

DIRECTORS:	Mrs V A Dunk M J D Dunk
SECRETARY:	Mrs 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 Year Ended 31 December 2017

The directors present their strategic report for the year ended 31 December 2017.

REVIEW OF BUSINESS
As shown in the company's statement of comprehensive income, the turnover for the year of £10,655,119 has shown a 19.73% reduction in turnover over the prior fifteen month period, which has resulted in a gross profit of £4,331,652 (2016 - £5,525,619) and a profit on ordinary activities before tax of £839,882 (2016 - £2,452,588).

The company continues to expand its markets, new distributors have been appointed in Iceland, Denmark, Sri-Lanka, Croatia and Hungary. The company has also appointed new agents in the US market for California and Florida. The company continues to have significant new product developments ongoing and additional sales personnel both internal and external, 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:

....
Mrs V A Dunk - Secretary

Date: 14 - 9 - 2018

Report of the Directors
for the Year Ended 31 December 2017

The directors present their report with the financial statements of the company for the year ended 31 December 2017.

DIVIDENDS
The total distribution of dividends for the year ended 31 December 2017 will be £637,638.

RESEARCH AND DEVELOPMENT
The company is currently reviewing its internal manufacturing facilities with a view to increasing them in order to service growing demands.

FUTURE DEVELOPMENTS
The company is working towards a ISO9001 accreditation in 2018/2019 along with introducing new programmes to assist the already successful sales team. It continues to be committed to releasing new products throughout the year and will have a new range towards the end of 2018.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 January 2017 to the date of this report.

Mrs 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 place 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
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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

Report of the Directors
for the Year Ended 31 December 2017

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

ON BEHALF OF THE BOARD:

....
Mrs V A Dunk - Secretary

Date: 14 - 9 - 2018

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

Opinion

We have audited the financial statements of Lucent Lighting Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
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.

D-Lewsley

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: ......14-5-2018..........

Statement of Comprehensive Income
for the Year Ended 31 December 2017

	Notes	Year Ended 31.12.17 £	Period 1.10.15 to 31.12.16 £
TURNOVER	4	10,655,119	13,273,623
Cost of sales		6,323,467	7,748,004
GROSS PROFIT		4,331,652	5,525,619
Administrative expenses		3,479,801	3,070,003
OPERATING PROFIT	7	851,851	2,455,616
Interest receivable and similar income		-	2,169
		851,851	2,457,785
Interest payable and similar expenses	9	11,969	5,197
PROFIT BEFORE TAXATION		839,882	2,452,588
Tax on profit	10	77,593	416,986
PROFIT FOR THE FINANCIAL YEAR		762,289	2,035,602
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		762,289	2,035,602

The notes form part of these financial statements

Statement of Financial Position
31 December 2017

		31.12.17		31.12.16	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	12		-		-
Tangible assets	13		455,691		410,102
Investments	14		-		617
			455,691		410,719
CURRENT ASSETS					
Stocks	15	1,780,924		1,745,684	
Debtors	16	2,333,807		3,743,502	
Cash at bank and in hand		1,276,927		398,975	
		5,391,658		5,888,161	
CREDITORS					
Amounts falling due within one year	17	2,536,533		3,147,447	
NET CURRENT ASSETS			2,855,125		2,740,714
TOTAL ASSETS LESS CURRENT LIABILITIES			3,310,816		3,151,433
CREDITORS					
Amounts falling due after more than one year	18		(65,413)		(30,606)
PROVISIONS FOR LIABILITIES	22		(95,188)		(95,263)
NET ASSETS			3,150,215		3,025,564
CAPITAL AND RESERVES					
Called up share capital	23		100		100
Capital redemption reserve	24		25,000		25,000
Retained earnings	24		3,125,115		3,000,464
SHAREHOLDERS' FUNDS			3,150,215		3,025,564

The financial statements were approved by the Board of Directors on 14 SEPTEMBER 2018 and were signed on its behalf by:

....
M J D Dunk - Director

....
Mrs V A Dunk - Director

The notes form part of these financial statements

Statement of Changes in Equity
for the Year Ended 31 December 2017

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 October 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
Changes in equity				
Dividends	-	(637,638)	-	(637,638)
Total comprehensive income	-	762,289	-	762,289
Balance at 31 December 2017	100	3,125,115	25,000	3,150,215

The notes form part of these financial statements

Statement of Cash Flows
for the Year Ended 31 December 2017

	Notes	Year Ended 31.12.17 £	Period 1.10.15 to 31.12.16 £
Cash flows from operating activities			
Cash generated from operations	1	2,040,706	1,454,100
Interest paid		(6,847)	(964)
Interest element of hire purchase payments paid		(5,122)	(4,233)
Tax paid		(426,460)	(110,991)
Net cash from operating activities		1,602,277	1,337,912
Cash flows from investing activities			
Purchase of tangible fixed assets		(293,575)	(233,285)
Sale of tangible fixed assets		85,210	17,885
Interest received		-	2,169
Net cash from investing activities		(208,365)	(213,231)
Cash flows from financing activities			
Loan repayments in year		-	(51,323)
Capital repayments in year		61,609	(12,052)
Amount withdrawn by directors		-	(1,679)
Group undertaking repayments in year		(121,982)	(468,650)
Group loan in year		617	-
Equity dividends paid		(637,638)	(664,801)
Net cash from financing activities		(697,394)	(1,198,505)
Increase/(decrease) in cash and cash equivalents		696,518	(73,824)
Cash and cash equivalents at beginning of year	2	124,385	198,209
Cash and cash equivalents at end of year	2	820,903	124,385

The notes form part of these financial statements

Notes to the Statement of Cash Flows
for the Year Ended 31 December 2017

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

	Year Ended 31.12.17	Period 1.10.15 to 31.12.16
	£	£
Profit before taxation	839,882	2,452,588
Depreciation charges	196,868	277,344
Profit on disposal of fixed assets	(34,089)	(4,507)
Finance costs	11,969	5,197
Finance income	-	(2,169)
	1,014,630	2,728,453
Increase in stocks	(35,240)	(274,600)
Decrease/(increase) in trade and other debtors	1,531,674	(1,263,233)
(Decrease)/increase in trade and other creditors	(470,358)	263,480
Cash generated from operations	2,040,706	1,454,100

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:

Year ended 31 December 2017

	31.12.17	1.1.17
	£	£
Cash and cash equivalents	1,276,927	398,975
Bank overdrafts	(456,024)	(274,590)
	820,903	124,385

Period ended 31 December 2016

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

Notes to the Financial Statements
for the Year Ended 31 December 2017

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.

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.

Intangible assets
Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

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.

Investments in subsidiaries
Investments in subsidiary undertakings are recognised at cost.

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.

continued...

3. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

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 difference.

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 £47,891 (2016 - £105,261).

At the balance sheet date the company had unpaid pension liabilities of £8,405 (2016 - £3,870).

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.

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.

continued...

3. ACCOUNTING POLICIES - continued

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:

	Year Ended 31.12.17 £	Period 1.10.15 to 31.12.16 £
United Kingdom	3,474,765	4,255,479
Europe	1,780,452	2,043,806
Rest of the world	5,399,902	6,974,338
	10,655,119	13,273,623

5. EMPLOYEES AND DIRECTORS

	Year Ended 31.12.17 £	Period 1.10.15 to 31.12.16 £
Wages and salaries	1,481,066	1,559,525
Social security costs	142,879	136,940
Other pension costs	47,891	105,261
	1,671,836	1,801,726

The average number of employees during the year was as follows:

	Year Ended 31.12.17	Period 1.10.15 to 31.12.16
Administration	21	18
Sales	6	5
Warehouse	11	11
	38	34

6. DIRECTORS' EMOLUMENTS

	Year Ended 31.12.17 £	Period 1.10.15 to 31.12.16 £
Directors' remuneration	83,943	113,073
Directors' pension contributions to money purchase schemes	20,000	75,333

continued...

6. **DIRECTORS' EMOLUMENTS - continued**

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

Money purchase schemes	2	2

7. **OPERATING PROFIT**

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

	Year Ended 31.12.17 £	Period 1.10.15 to 31.12.16 £
Other operating leases	254,785	180,846
Depreciation - owned assets	153,031	241,002
Depreciation - assets on hire purchase contracts	43,834	36,342
Profit on disposal of fixed assets	(34,089)	(4,507)
Foreign exchange differences	262,190	(212,049)

8. **AUDITORS' REMUNERATION**

	Year Ended 31.12.17 £	Period 1.10.15 to 31.12.16 £
Fees payable to the company's auditors for the audit of the company's financial statements	55,035	55,457
Auditors' remuneration for non audit work	43,260	36,996

9. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	Year Ended 31.12.17 £	Period 1.10.15 to 31.12.16 £
Bank interest	1,938	964
Tax late payment interest	4,909	-
Hire purchase	5,122	4,233
	11,969	5,197

10. **TAXATION**

Analysis of the tax charge
The tax charge on the profit for the year was as follows:

	Year Ended 31.12.17 £	Period 1.10.15 to 31.12.16 £
Current tax:		
UK corporation tax	77,668	426,723
Deferred tax	(75)	(9,737)
Tax on profit	77,593	416,986

continued...

10. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.12.17 £	Period 1.10.15 to 31.12.16 £
Profit before tax	839,882	2,452,588
Profit multiplied by the standard rate of corporation tax in the UK of 19.247% (2016 - 20%)	161,652	490,518
Effects of:		
Expenses not deductible for tax purposes	6,693	13,237
Depreciation in excess of capital allowances	3,799	3,744
Difference in tax rates	-	(1,250)
Research and development enhanced deduction	(94,551)	(89,263)
Total tax charge	77,593	416,986

A reduction of the UK corporation tax rate from 20% to 19% took effect from 1 April 2017.

11. **DIVIDENDS**

	Year Ended 31.12.17 £	Period 1.10.15 to 31.12.16 £
A Ordinary shares of £1 each		
Interim	637,638	664,801

12. **INTANGIBLE FIXED ASSETS**

	Goodwill £
COST	
At 1 January 2017 and 31 December 2017	72,801
AMORTISATION	
At 1 January 2017 and 31 December 2017	72,801
NET BOOK VALUE	
At 31 December 2017	-
At 31 December 2016	-

continued...

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

13. **TANGIBLE FIXED ASSETS**

	Capitalised dilapidations £	Improvements to property £	Plant and machinery £
COST			
At 1 January 2017	80,000	85,390	646,737
Additions	-	42,685	45,468
At 31 December 2017	80,000	128,075	692,205
DEPRECIATION			
At 1 January 2017	21,588	28,715	535,828
Charge for year	6,663	13,065	86,465
Eliminated on disposal	-	-	-
At 31 December 2017	28,251	41,780	622,293
NET BOOK VALUE			
At 31 December 2017	51,749	86,295	69,912
At 31 December 2016	58,412	56,675	110,909

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1 January 2017	519,926	320,453	1,652,506
Additions	60,722	144,700	293,575
Disposals	-	(156,667)	(156,667)
At 31 December 2017	580,648	308,486	1,789,414
DEPRECIATION			
At 1 January 2017	473,880	182,393	1,242,404
Charge for year	41,437	49,235	196,865
Eliminated on disposal	-	(105,546)	(105,546)
At 31 December 2017	515,317	126,082	1,333,723
NET BOOK VALUE			
At 31 December 2017	65,331	182,404	455,691
At 31 December 2016	46,046	138,060	410,102

The capitalised dilapidations cost of £80,000 , NBV of £51,749 (2016 - £58,412) has been included in the accounts via a dilapidation provision, see note 22.

continued...

13. TANGIBLE FIXED ASSETS - continued

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

	Motor vehicles £
COST	
At 1 January 2017	149,918
Additions	144,700
Transfer to ownership	(22,800)
At 31 December 2017	271,818
DEPRECIATION	
At 1 January 2017	64,004
Charge for year	43,834
Transfer to ownership	(13,787)
At 31 December 2017	94,051
NET BOOK VALUE	
At 31 December 2017	177,767
At 31 December 2016	85,914

14. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2017	617
Reclassification/transfer	(617)
At 31 December 2017	-
NET BOOK VALUE	
At 31 December 2017	-
At 31 December 2016	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

Class of shares:	% holding
Ordinary	

During the year, the company completed the transfer of shares in Lucent Lighting Inc to another member of the group.

continued...

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

15. STOCKS

	31.12.17	31.12.16
	£	£
Finished goods	1,769,543	1,723,362
Goods in transit	11,381	22,322
	1,780,924	1,745,684

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17	31.12.16
	£	£
Trade debtors	1,434,543	2,786,633
Amounts owed by group undertakings	748,770	626,788
Other debtors	9,630	13,186
VAT	36,505	263,202
Prepayments	104,359	53,693
	2,333,807	3,743,502

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17	31.12.16
	£	£
Bank loans and overdrafts (see note 19)	456,024	274,590
Hire purchase contracts (see note 20)	51,816	25,014
Trade creditors	1,283,523	1,790,750
Tax	77,931	426,723
Social security and other taxes	75,783	27,070
Other creditors	89,737	135,470
Sales deposits	219,121	246,689
Accrued expenses	282,598	221,141
	2,536,533	3,147,447

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

	31.12.17	31.12.16
	£	£
Hire purchase contracts (see note 20)	65,413	30,606

19. LOANS

An analysis of the maturity of loans is given below:

	31.12.17	31.12.16
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	456,024	274,590

continued...

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.12.17	31.12.16
	£	£
Gross obligations repayable:		
Within one year	55,786	27,570
Between one and five years	67,541	32,453
	123,327	60,023
Finance charges repayable:		
Within one year	3,970	2,556
Between one and five years	2,128	1,847
	6,098	4,403
Net obligations repayable:		
Within one year	51,816	25,014
Between one and five years	65,413	30,606
	117,229	55,620

	Non-cancellable operating leases	
	31.12.17	31.12.16
	£	£
Within one year	216,657	218,952
Between one and five years	848,602	857,816
In more than five years	651,017	858,461
	1,716,276	1,935,229

In 2016, 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

	31.12.17	31.12.16
	£	£
Deferred tax	15,188	15,263
Lease dilapidations	80,000	80,000
	95,188	95,263

continued...

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

22. **PROVISIONS FOR LIABILITIES - continued**

	Deferred tax £
Balance at 1 January 2017	15,263
Accelerated capital allowances	(75)
Changes in tax rates	
Balance at 31 December 2017	15,188

Deferred taxation provided for at 19% (2016 - 19%) in the financial statements is set out below:

	2017 £	2016 £
Accelerated capital allowances	15,188	15,263

The amount of the net reversal of deferred tax expected to occur next year is £13,888 (2016 - £20,526), relating to the reversal of existing timing differences on tangible fixed assets.

23. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.17 £	31.12.16 £
100	A Ordinary	£1	100	100

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights, transfer notice and pre-emption rights on transfer of shares; they do not confer any rights of redemption.

24. **RESERVES**

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 January 2017	3,000,464	25,000	3,025,464
Profit for the year	762,289		762,289
Dividends	(637,638)		(637,638)
At 31 December 2017	3,125,115	25,000	3,150,115

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.

continued...

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

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**

The company is 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 - £748,153 (2016 - £626,788).
Lucent Lighting (USA) Limited - £617 (2016 - £Nil).

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. **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 £440,442 (2016 - £481,403).

29. **GROUP RECONSTRUCTION**

A group reconstruction took place on the 25th September 2017, which brought Lucent Lighting Inc under the control of Lucent Lighting (USA) Limited.

The reconstruction was accounted for using the merger method.