D.W. Windsor Limited
Annual Report and Financial Statements
Registered number 01309755
For the year ended 31 December 2022

Contents

Strategic Report

Business review

The Company is part of the Luceco plc group, which is headed up by its ultimate parent company Luceco plc (hereafter referred to as 'the Group'). The result for the Company shows loss before tax for the year of £2.9m (15 month period ended 31 December 2021: £1.8m) and sales of £20.7m (15 month period ended 31 December 2021: £27.8m).

The Company has continued to invest in new products and continuous improvements of existing products with heavy investment in resources and time in line with previous years. This has brought interest from a number of new markets. Our new lighting technology is generating market opportunities as customers look at implementing projects that can generate energy, maintenance, CO2 and energy reductions. The Company continues to develop a number of solutions and its well-known expertise in improving the energy efficiency of its products is creating additional business opportunities. The Company continues its focus of improving service provided to customers and both developing and delivering new products to market.

During the year, as part of a Group restructure, the operational activities of Urban Control Limited and Pulsar Lighting Solutions Limited were transferred into the D.W. Windsor Limited business. This resulted in exceptional costs being charged to operating profit in respect of writing off its intercompany debtors of £1.1m with Urban Control Limited and £0.9m with Pulsar Lighting Solutions Limited.

The Company also undertook a review of its stock which led to a further write down for obsolete stock of £0.9m which impacted gross margins.

Key performance indicators (KPIs)

Sales, EBITDA and cash flow compared to budget are the KPIs upon which management is focused.

The monitoring of accounts receivable and payable ensures that the business effectively controls its working capital.

The Company remains committed to constant improvement of its products, a key strategic advantage to its competitors, which enables future business growth.

The Company has not included a Streamlined Energy and Carbon Report as it can be found within the Group Annual Report and Accounts.

Principal risks and uncertainties

The Company and the Group is subject to risk factors both internal and external to its business, and has a well-established set of risk management procedures. The following risks and uncertainties are those that the Directors believe could have the most significant impact on the Company's business.

- Concentration risks associated with operations
- Concentration risks associated with customers and products
- Macroeconomic, political and environmental
- Loss of IT / Data
- Risks associated with the coronavirus
- People and labour shortages
- Acquisitions
- Legal and regulatory
- Finance and Treasury

Further detail on the principal risks and uncertainties can be found on pages 64-71 of the 2022 Luceco plc Annual Report and Financial Statements.

The Company and Group's risk management policies are established to identify and analyse the risks faced by the Company and Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, both under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. It has access to a number of sources of finance to manage its liquidity risk.

Interest rate risk

The Group is exposed to cash flow interest rate risk on floating rate bank loans and overdrafts. The Group adopts a policy of monitoring its exposure to changes in interest rates on borrowings to ensure that likely changes do not constitute a material risk to the profitability of the Group.

Foreign currency risk

The Group's principal foreign currency exposures arise from the purchase of overseas sourced products and sales in USD. The Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currency forward using derivative financial instruments when necessary to address short-term imbalances.

Strategic Report *(continued)*

Employees

Employee consultation and involvement

The Company recognises that training and free flow of communications are the key elements in involving all employees, to get the best out of them at all levels in the business and in making those improvements in performance which will advance its international competitiveness

Frequent briefings continue to enable employees to understand more about the business and about the essential part they have to play in its success Incentive schemes are in place to encourage involvement in the Company s performance

Employment of disabled persons

Where individuals become disabled whilst in the Company s employment, every reasonable effort is made to provide opportunity for continued employment within the potential aptitude and ability of the person concerned and to provide such facilities, including any appropriate training as may be necessary for that purpose

In dealing with applications for employment and the training career development and promotion of existing employees, efforts are made to ensure that a disabled individual s potential aptitude and ability are considered both without prejudice and as constructively as possible in relation to the opportunities available

Section 172 Statement

The Directors confirm that they have acted in a way that they consider, in good faith, to be most likely to promote the success of D W Windsor Limited for the benefit of its members as a whole, and in doing so have had regard amongst other matters, to the matters set out in s172(1) of the Companies Act 2006 ("s172 Matters") The Directors take account of what is important to our key stakeholders to maximise value and secure long-term success Our key stakeholders are customers, employees, suppliers shareholders, funding providers and local communities We detail in our Group Annual Report how each of these stakeholders have been considered With regard for s172 Matters in respect of the year, the Company Secretary sets out the s172 Matters in all Board meeting packs to ensure these are front of mind, and the Directors are reminded of their duty under s172(1) at the start of each Board meeting Consideration of the broader s172 Matters forms an integral part of Board discussion, the Directors as a matter of course have regard to the need to maintain a reputation for high standards of business conduct, the need to act fairly between shareholders, and the long-term consequences of their decisions These considerations are referenced in meeting papers as relevant and discussions thereof recorded in the meeting minutes

Whilst Directors engage directly with stakeholders on certain topics stakeholder considerations on the whole are brought to the Board s attention through reports and presentations from the Executive Directors and senior management This is an integral element of regular Board reporting and, in the case of certain stakeholders such as the workforce, may be discussed as a separate agenda item As a result of these processes, the Directors have the necessary oversight of the D W Windsor Limited engagement with stakeholders to enable them to discharge their duty under s172(1) in the course of their decision-making Moreover, the Directors have concluded that the Company s key stakeholders are appropriate and that the methods of engagement for each are proportionate and effective The Company s key stakeholders and methods of engagement will be kept under review and reported on each year

By Order of the Board

W Hoy
Director

30 June 2023

Directors' Report

The Directors present their Directors' report and financial statements for the year ended 31 December 2022

Principal activities

The principal activity of the Company continued to be that of delivering exterior lighting solutions which includes the manufacture of specialised external lighting installations and urban furniture

Dividends

No dividend was paid to shareholders during the year (2021 £397 266)

Directors

The Directors who held office during the year were

J Hornby	
M Webb	(resigned 31 March 2023)
W Hoy	(appointed 31 March 2023)

Going concern

The Directors have concluded that it is reasonable to adopt a going concern basis in preparing the financial statements This is based on an expectation that the Company and the Group have adequate resources to continue in operational existence for at least 12 months from the date of signing these accounts and the cash flow forecasts support this

The Directors ran scenario tests on the severe but plausible downside case The assumptions in this scenario were as follows concentration risks with associated operations (25% reduction in revenue for three months followed by 50% reduction for three months and 20% increase in shipping costs during the period) and macroeconomic political and environmental risks (18-month recession with a 10% reduction in revenue and gross profit)

These severe but plausible downside scenarios do not lead to any breach in covenants nor any breach in facility All modelling has been conducted without any mitigation activity There have been no changes to post balance sheet liquidity positions

The Directors are confident that the Group and Company will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis

Auditor

The Directors have claimed exemption under section 479A of the Companies Act 2006, from the need to have these financial statements audited A statement of guarantee by a parent undertaking, Luceco plc (registered number 05254883), has been filed at Companies House

By Order of the Board

W Hoy
Director

30 June 2023

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

The directors are responsible for preparing the Strategic report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- assess the Company's ability to continue as a going concern disclosing as applicable, matters related to going concern, and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

Profit and Loss Account and Statement of Other Comprehensive Income

for the year ended 31 December 2022

	Note	Year ended 2022 £000	Period ended 2021 £000
Turnover	2	**20,661**	27,773
Cost of sales		**(13,768)**	(17,684)
Gross profit		**6,893**	10,089
Administrative expenses		**(9,714)**	(8,239)
Other operating income		**-**	48
Operating profit		**(2,821)**	1,898
Net interest payable and similar charges	6	**(91)**	(74)
(Loss)/profit before taxation		**(2,912)**	1,824
Taxation	7	**(53)**	(280)
(Loss)/profit for the financial period, being total comprehensive income for the period		**(2,965)**	1,544

All results are from continuing operations

The accompanying notes on pages 9 to 18 form an integral part of these financial statements

Balance Sheet
at 31 December 2022

	Note	2022 £000	2021 £000
Non-current assets			
Intangible assets	*9*	**285**	4
Tangible assets	*10*	**866**	833
Right-of-use asset	*10*	**2,781**	3,018
Investments	*11*	**-**	-
		3,932	3,855
Current assets			
Stocks	*12*	**4,286**	5,122
Debtors	*13*	**5,718**	5,801
Deferred tax asset	*16*	**-**	25
Cash at bank and in hand		**649**	847
		10,653	11,795
Creditors: Amounts falling due within one year	*14*	**(3,272)**	(2,406)
Net current assets		**7,381**	9,389
Total assets less current liabilities		**11,313**	13,244
Creditors: Amounts falling due after more than one year	*15*	**(4,293)**	(3,259)
Net assets		**7,020**	9,985
Capital and reserves			
Called up share capital	*17*	**-**	-
Profit and loss account		**7,020**	9,985
Shareholders' funds		**7,020**	9,985

The accompanying notes on pages 9 to 18 form an integral part of these financial statements

For the year ended 31 December 2022, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476 The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These financial statements were approved by the Board of Directors on 30 June 2023 and were signed on its behalf by

W Hoy
Director

Company registered number 01309755

Statement of Changes in Equity
for the year ended 31 December 2022

	Share capital £000	Retained earnings £000	Total £000
Balance at 25 September 2020	-	8,838	8,838
Total comprehensive income:			
Profit for the year	-	1,544	1,544
Dividends	-	(397)	(397)
Balance at 31 December 2021	-	9,985	9,985
Balance at 1 January 2022	-	9,985	9,985
Total comprehensive income:			
Profit for the year	-	(2,965)	(2,965)
Balance at 31 December 2022	**-**	**7,020**	**7,020**

The accompanying notes on pages 9 to 18 form an integral part of these financial statements

Notes
(forming part of the financial statements)

1 Accounting policies

D W Windsor Limited (the "Company") is a company incorporated in the UK and registered in England and Wales at Building E Stafford Park 1 Telford Shropshire TF3 3BD and domiciled in the UK

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements These financial statements present information about the Company as an individual undertaking and not about its group

The Company is considered to be a qualifying entity at the balance sheet date and therefore, to align with its new parent undertaking these financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101") The amendments to *FRS 101 (2014 15 Cycle)* issued in July 2015 and effective immediately have been applied

In preparing these financial statements, the Company applies the recognition measurement and disclosure requirements of UK-adopted international accounting standards ("UK-adopted IFRS") but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the *FRS 101* disclosure exemptions has been taken

The Company's ultimate parent undertaking, Luceco plc includes the Company in its consolidated financial statements The consolidated financial statements of Luceco plc are prepared in accordance with UK-adopted international accounting standards ("UK-adopted IFRS") and are available to the public and may be obtained from Luceco Distribution Centre, Stafford Park 1, Telford, Staffordshire United Kingdom

In these financial statements the company has applied the exemptions available under *FRS 101* in respect of the following disclosures

- A Cash Flow Statement and related notes.
- Comparative period reconciliations for share capital tangible fixed assets and intangible assets
- Disclosures in respect of transactions with wholly owned subsidiaries ,
- Disclosures in respect of capital management
- The effects of new but not yet effective IFRSs.
- Disclosures in respect of the compensation of Key Management Personnel and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of the ultimate parent undertaking include the equivalent disclosures the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures

- Certain disclosures required by *IAS 36 Impairment of assets* in respect of the impairment of goodwill and indefinite life intangible assets
- Certain disclosures required by *IFRS 3 Business Combinations* in respect of business combinations undertaken by the Company,
- Certain disclosures required by *IFRS 13 Fair Value Measurement* and the disclosures required by *IFRS 7 Financial Instrument Disclosures*

The Company proposes to continue to adopt the reduced disclosure framework of *FRS 101* in its next financial statements

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements

Notes *(continued)*

1 Accounting policies (continued)

1.1 Measurement Convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value derivative financial instruments Non-current assets and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less costs to sell

1.2 Going Concern

The Directors have concluded that it is reasonable to adopt a going concern basis in preparing the financial statements This is based on an expectation that the Company and the Group have adequate resources to continue in operational existence for at least 12 months from the date of signing these accounts and the cash flow forecasts support this

The Directors ran scenario tests on the severe but plausible downside case The assumptions in this scenario were as follows concentration risks with associated operations (25% reduction in revenue for three months followed by 50% reduction for three months and 20% increase in shipping costs during the period) and macroeconomic, political and environmental risks (18-month recession with a 10% reduction in revenue and gross profit)

These severe but plausible downside scenarios do not lead to any breach in covenants nor any breach in facility All modelling has been conducted without any mitigation activity There have been no changes to post balance sheet liquidity positions

The Directors are confident that the Group and Company will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis

1.3 Statutory measures of performance

The financial statements contain all the information and disclosures required by the relevant accounting standards and regulatory obligations that apply to the Company

1.4 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts Revenue is recognised when the Company has satisfied its performance obligations to the customer and the customer has obtained control of the goods and services being transferred The Company offers sales incentives typically comprising rebate arrangements or discounts, to qualifying customers through various incentive programmes Revenue is reported net of these sales incentives

1.5 Tangible fixed assets and depreciation

Items of property, plant and equipment are measured at cost less accumulated depreciation Cost includes expenditure that is directly attributed to the acquisition of the asset Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Leasehold improvements	ten years
Plant and Machinery	three to ten years
Motor vehicles	four years

1.6 Stock

Stock is stated at the lower of cost and net realisable value Cost includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition In the case of manufactured inventories cost includes an appropriate share of overheads based on normal operating capacity

Provision is made for slow moving and obsolete stock by comparing the stock holding against the product sales for the financial year and applying a provision to reflect the discount required to sell the product or to rework it into a different product

1.7 Foreign Currency

Transactions in foreign currencies are translated to the Company s functional currency at the foreign exchange rate ruling at the date of the transaction Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined Foreign exchange differences arising on translation are recognised in the profit and loss account

Notes *(continued)*

1 Accounting policies (continued)

1.8 Leased Assets

With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and asset. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment. Leases of vehicles and IT equipment are generally limited to a lease term of 3 to 5 years. Leases of property generally have a lease term ranging from 3 to 7 years. Lease payments are generally fixed other than for property leases where rentals are linked to annual changes in an index (either RPI or CPI). The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

1.9 Financial Instruments

Classification of financial instruments issued by the Company

Following the adoption of *IAS 32*, Financial Instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

1.10 Employee Benefits
Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Notes *(continued)*

1 Accounting policies (continued)

1.11 Impairment excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date Interest on the impaired asset continues to be recognised through the unwinding of the discount When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than stocks and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment If any such indication exists then the asset's recoverable amount is estimated

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell In assessing value in use the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset

1.12 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability

1.13 Expenses

Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability Contingent rents are charged as expenses in the periods in which they are incurred

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy) Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established Foreign currency gains and losses are reported on a net basis

Notes *(continued)*

1 Accounting policies (continued)

1.14 ***Taxation***

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.15 ***Intra-group financial instruments***

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

2 Turnover

Turnover by location of customer

	2022	2021
	£000	£000
UK	**19,978**	27,079
Europe	**637**	551
Rest of The World	**46**	143
	20,661	27,773

Notes *(continued)*

3 Expenses

Included in profit and loss are the following:

	2022 £000	2021 £000
Research & development charged as an expense	-	-
Intercompany balance write-off	1,967	-
Impairment of inventory	861	-
Depreciation of tangible fixed assets - owned by the company	521	377
Depreciation of right of use assets	544	629
Amortisation of intangible assets	28	7
Operating lease rentals	3	42
Defined contribution pension cost	213	251

4 Staff numbers and costs

The average number of persons employed by the Company (including Directors) during the period, analysed by category, was as follows

	Number of employees 2022	Number of employees 2021
Management and administration	66	81
Production	68	57
	134	138

The aggregate payroll costs of these persons were as follows

	2022 £000	2021 £000
Wages and salaries	5,062	6 268
Social security costs	627	717
Other pension costs	213	251
	5,902	7 236

5 Directors' remuneration

The Directors' remuneration for the year was as follows

	2022 £000	2021 £000
Remuneration (including benefits in kind)	1,255	927
Long-term incentives	151	-
Company contributions paid to pension schemes	19	41
	1,425	968
The emoluments of the highest paid director	726	589

The current Directors perform qualifying services to the Luceco plc Group as a whole As a result, no apportionment of time is deemed appropriate and, as such, total remuneration is disclosed The highest paid Director received £726k for further information refer to the Remuneration Committee Report in the 2022 Annual Report and Accounts

Notes *(continued)*

6 Finance income and expense

	2022 £000	2021 £000
Finance income		
Interest received	**(5)**	(1)
Finance expense		
Interest on finance leases	**83**	75
Bank charges	**13**	-
	91	74

7 Taxation

Analysis of charge in period

	2022 £000	2021 £000
UK corporation tax		
Current tax on profit for the period	**(39)**	280
Adjustment in respect of previous years	**(70)**	-
Total current tax	**(109)**	280
Deferred tax		
Origination and reversal of timing differences	**83**	-
Adjustment in respect of previous years	**79**	-
Total deferred tax	**162**	-
Tax on profit	**53**	280

Factors affecting the tax charge for the current period

The tax charge for the period is higher *(for the period ended 31 December 2021 lower)* than the standard rate of corporation tax in the UK of 19% *(for the period ended 31 December 2021 19%)* The differences are explained below

	2022 £000	2021 £000
Tax reconciliation		
(Loss)/Profit before tax	**(2,912)**	1,824
Current tax at 19% *(2021 19%)*	**(553)**	347
Effects of		
Fixed asset differences (non-qualifying depreciation) and super-deductions	**(33)**	-
Non-deductible expenses	**2**	48
Group relief	**632**	(115)
Adjustments to current tax in respect of prior years	**(70)**	-
Adjustments to deferred tax in respect of prior years	**79**	-
Tax credits	**(12)**	-
Difference in tax rates	**8**	-
Total tax expense	**53**	280

Factors that may affect future current and total tax charges

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021 This will increase the Company's future current tax charge accordingly The deferred tax liability at 31 December 2022 has been calculated based on these rates, reflecting the expected timing of reversal of the related temporary/timing difference

8 Dividends

No dividends have been declared post year end to the date of the signing of these financial statements

Notes *(continued)*

9 Intangible assets

	Goodwill	Computer software and data	Intellectual property	Total
	£000	£000	£000	£000
Cost				
At 1 January 2022	-	166	-	166
Transfers in from fellow Group undertaking	89	1	128	218
Additions	-	171	-	171
Disposals	-	(96)	-	(96)
At 31 December 2022	**89**	**242**	**128**	**459**
Depreciation				
At 1 January 2022	-	162	-	162
Transfers in from fellow Group undertaking	16	1	63	80
Charge for the year	-	6	22	28
Disposals	-	(96)	-	(96)
At 31 December 2022	**16**	**73**	**85**	**174**
Net book value				
At 31 December 2022	**73**	**169**	**43**	**285**
At 31 December 2021	-	4	-	4

10 Tangible fixed assets

	Fixtures and fittings	Plant and equipment	Motor vehicles	Total
	£000	£000	£000	£000
Cost				
At 1 January 2022	504	3 791	49	4,344
Transfers in from fellow Group undertaking	5	138	-	143
Additions	43	379	-	422
Disposals	(385)	(1,872)	-	(2,257)
At 31 December 2022	**167**	**2,436**	**49**	**2,652**
Depreciation				
At 1 January 2022	473	2,997	41	3,511
Transfers in from fellow Group undertaking	3	31	-	34
Charge for the year	31	482	8	521
Disposals	(386)	(1,894)	-	(2 280)
At 31 December 2022	**121**	**1,616**	**49**	**1,786**
Net book value				
At 31 December 2022	**46**	**820**	**-**	**866**
At 31 December 2021	31	794	8	833

The carrying values of the following right-of-use assets

	Property	Motor vehicles	Total
	£000	£000	£000
Cost			
At 1 January 2022	4 044	100	4,144
Transfers in from fellow Group undertaking	27	-	27
Additions	193	108	301
Disposals	(27)	(63)	(90)
At 31 December 2022	**4,237**	**145**	**4,382**
Depreciation			
At 1 January 2022	1,065	61	1,126
Transfers in from fellow Group undertaking	21	-	21
Charge for the year	507	37	544
Disposals	(27)	(63)	(90)
At 31 December 2022	**1,566**	**35**	**1,601**
Net book value			
At 31 December 2022	**2,671**	**110**	**2,781**
At 31 December 2021	2,979	39	3,018

Notes *(continued)*

11 Investments

Details of the Company's subsidiaries at 31 December 2022 are as follows

Name of undertaking	Registered office	Ownership interest (%)	Nature of business
Pulsar Lighting Solutions Limited	Building F Stafford Park 1, Stafford Park, Telford Shropshire England, TF3 3BD	100	Manufacture and delivery of exterior lighting solutions

12 Stocks

	2022 £000	2021 £000
Raw materials	3,438	3,794
Work in progress	722	1,295
Finished goods	126	33
	4,286	5,122

The write-down of stocks to net realisable value amounted to £861k (2021 £99k)

13 Debtors

	2022 £000	2021 £000
Trade debtors	3,010	1,899
Amounts owed by group undertakings	2,357	3,690
Prepayments and accrued income	301	212
Corporation tax	50	-
	5,718	5,801

Amounts owed by Group undertakings carry no interest and are payable on demand

14 Creditors: amounts falling due within one year

	2022 £000	2021 £000
Lease liabilities	569	301
Trade creditors	1,151	303
Corporation tax	-	182
Other taxation and social security	286	175
Accruals and other creditors	1,266	1,445
	3,272	2,406

Amounts owed to Group undertakings carry no interest and are payable on demand

15 Creditors: amounts falling due after more than one year

	2022 £000	2021 £000
Deferred income	1,075	393
Lease liabilities	2,390	2,866
Provisions	724	-
Deferred tax liability	104	-
	4,293	3,259

Net obligations under finance leases and hire purchase contracts are secured over the specific assets to which they relate

Notes *(continued)*

16 Deferred taxation (asset)/liability

	2022 £000	2021 £000
At 1 January	**(25)**	(25)
Transfer in from fellow Group subsidiary	**(33)**	-
(Credit)/charge to profit and loss	**162**	-
At 31 December	**104**	(25)

The provision for deferred taxation is made up as follows

	2022 £000	2021 £000
Accelerated capital allowances	**108**	13
Other timing differences	**(4)**	(38)
	104	**(25)**

17 Called up share capital

	2022 £	2021 £
Allotted, called up and fully paid		
100 Ordinary Shares of £1 each	**100**	100
	100	100

The Company's ordinary shares which carry no right to fixed income, each carry the right to one vote at general meetings of the Company

18 Pension schemes

Defined contribution pension scheme

The Company operates a defined contribution pension scheme The assets of the scheme are held separately from those of the company in an independently administered fund The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £212,675 *(2021 £251 316)*

Contributions totalling £34,398 *(2021 £36,035)* were payable to the schemes at the end of the year

19 Ultimate parent and controlling party

The immediate parent company is DW Windsor Group Limited, a company registered in England and Wales The ultimate parent company is Luceco plc, a company also registered in England and Wales There is no ultimate controlling party The registered address of both companies is Building E Stafford Park 7, Stafford Park, Telford, Shropshire, TF3 3BD

20 Accounting estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets liabilities, income and expenses Actual results may differ from these estimates

Estimates and underlying assumptions are reviewed on an on-going basis Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected

The Board have determined that there are no key sources of estimation uncertainty affecting the financial statements of the Company during the year

21 Acquisition of trade and assets from a group company

On 1 January 2022, the Company acquired the trade and assets of Urban Control Limited and Pulsar Lighting Solutions Limited at book value A summary of these transactions is presented below

	Urban Control Limited Book value £000	Pulsar Lighting Solutions Limited Book value £000
Intangible assets - goodwill	73	-
Other intangible assets	65	-
Tangible fixed assets	17	98
Stocks	790	343
Debtors	671	64
Current tax recoverable	25	-
Deferred tax asset	31	3
Cash at bank and in hand	121	66
Creditors	(1 958)	(1,523)
Taxation and social security	(9)	58
Lease liabilities	(7)	-
Deferred income	(812)	-
Other provisions	(83)	-
	(1 076)	(891)
Consideration	(1,076)	(891)
Goodwill arising	-	-

22 Events after the balance sheet date

There were no post balance sheet events