

Registered No 3012749

**Cooper Lighting and Safety Limited  
(formerly Cooper Lighting and Security Limited)**

**Report and Financial Statements**

31 December 2007

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**Cooper Lighting and Safety Limited**  
**(formerly Cooper Lighting and Security Limited)**

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Registered No 3012749

**Directors**

G L Gawronski  
T V Helz  
N H Manning  
P W Maxwell  
G D Smith  
S D Whittaker

**Secretaries**

T V Helz  
Abogado Nominees Limited

**Auditors**

Ernst & Young LLP  
No 1 Colmore Square  
Birmingham  
B4 6HQ

**Bankers**

National Westminster Bank plc  
P O Box 34  
15 Bishopsgate  
London  
EC2P 2AP

**Solicitors**

Baker & McKenzie  
100 New Bridge Street  
London  
EC4V 6JA

**Registered office**

100 New Bridge Street  
London  
EC4V 6JA

## Directors report

The directors present their report and financial statements for the year ended 31 December 2007

### Principal activities

The principal activity of the company is the manufacture and distribution of lighting and fire detection equipment

### Change of Name

On 1 February 2008, the company changed its name from Cooper Lighting and Security Limited to Cooper Lighting and Safety Limited

### Results and dividends

The profit for the year, after taxation, amounted to £5,102,000 (2006 Profit of £6,974,000) No dividend was paid during the year

### Review of the business

During the year the company's turnover increased by 0.7% to £72,708,000 (2006 £72,133,000) An increase in Gross Margin of 1.4% was offset by higher Distribution and Administration costs resulting in Operating Profit before Exceptional Items being £7,079,000 (2006 £7,169,000)

Key performance indicators for the business in the current and the preceding year are

	2007 £'000	2006 £'000
Company Turnover	72,708	72,133
% change from prior year	0.8%	-3.4%
Gross Margin	23,698	22,538
As a % of net revenue	32.6%	31.2%
Operating Profit before Exceptionals	7,079	7,169
As a % of net revenue	9.7%	9.9%
Trade receivable days	75.6	69.5
Stock days	49.3	51.7

The company, and its parent, track and monitor various financial and non financial key performance indicators as part of its normal management process

### Events since the balance sheet date

On 1 January 2008, the company acquired the trade and assets of its subsidiary companies, Clarity Lighting Limited and LED Storm Limited, both of which are engaged in the manufacture and distribution of lighting equipment

### Principal risks and uncertainties

#### Competitive risk

The company primarily operates in the UK. Increasing competitive pressure in the UK could result in the loss of sales to competitors and lower gross margins. The company manages this risk through the continued development of new and existing products, developing its customer relationships and through a constant focus on productivity improvements to reduce manufacturing costs.

#### Financial risk

With large trading volumes in non sterling currencies, exchange rate movements are a risk to profitability.

## **Directors report**

### **Research and development**

The company continues to invest in research into new products and activities as well as introducing new technology to improve service to customers and reduce manufacturing costs

### **Future developments**

The company is expected to continue with its current activity

### **Directors**

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

G L Gawronski  
A G G Haack (Resigned 30 June 2008)  
T V Helz  
N H Manning (Appointed 1 June 2007)  
P W Maxwell  
G D Smith  
S D Whittaker

### **Charitable contributions**

During the year, the company made various charitable contributions totalling £400, (2006 £250) No political contributions were made

### **Disabled employees**

The company gives full consideration to applications for employment from disabled persons where a handicapped or disabled person can adequately fulfil the requirements of the job. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate

### **Employee involvement**

It is company policy to communicate with and involve employees on matters affecting their interest at work and to inform them of the performance of the business. Each department adopts such employee consultations as is appropriate

### **Disclosure of information to the auditors**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

### **Directors' qualifying third party indemnity provisions**

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report

### **Creditor payment policy and practice**

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers

At 31 December 2007, the company had an average of 58 days purchases outstanding in trade creditors (2006 - 61 days)

## Directors report

### Re-appointment of Auditors

Ernst & Young LLP will be reappointed as the company's auditor in accordance with the elective resolution passed by the company under section 386 of the Companies Act 1985

On behalf of the board



G Ø Smith

Director

24<sup>th</sup> October 2008

## **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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, 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditors' report**

To the members of Cooper Lighting and Safety Limited

We have audited the company's financial statements of Cooper Lighting and Safety Limited for the year ended 31 December 2007, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses, and the related notes 1 to 23. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

The company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Independent auditors' report**

To the members of Cooper Lighting and Safety Limited (continued)

### **Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

*Ernst & Young LLP*

Ernst & Young LLP  
Registered Auditor  
Birmingham

31 October 2008



Cooper Lighting and Safety Limited  
(formerly Cooper Lighting and Security Limited)

**Profit and loss account**  
for the year ended 31 December 2007

	Notes	2007 £000	2006 £000
<b>Turnover</b>	2	72,708	72,133
Cost of sales		49,010	49,595
<b>Gross profit</b>		23,698	22,538
Distribution costs		11,937	10,982
Administrative expenses		4,682	4,387
Exceptional items	4	-	(306)
<b>Operating profit</b>	3	7,079	7,475
Profit on disposal of tangible fixed assets	4	1	936
		7,080	8,411
Interest receivable	7	816	583
Interest payable	8	(2)	(1)
		814	582
<b>Profit on ordinary activities before taxation</b>		7,894	8,993
Tax on profit on ordinary activities	9	2,792	2,019
<b>Profit retained for the financial year</b>	19	5,102	6,974

**Statement of total recognised gains and losses**

The company had no recognised gains or losses other than the profit of £5,102,000 attributable to the shareholders for the year ended 31 December 2007 (2006 profit of £6,974,000)

Cooper Lighting and Safety Limited  
(formerly Cooper Lighting and Security Limited)

**Balance sheet**  
at 31 December 2007

	<i>Notes</i>	<i>2007</i> <i>£000</i>	<i>2006</i> <i>£000</i>
<b>Fixed assets</b>			
Tangible assets	10	5,077	5,124
Investments	11	2,580	463
		<u>7,657</u>	<u>5,587</u>
<b>Current assets</b>			
Stocks	12	6,624	7,022
Debtors	13	26,983	24,729
Cash in bank and in hand		20,761	17,745
		<u>54,368</u>	<u>49,496</u>
<b>Creditors</b> amounts falling due within one year	14	26,205	25,069
		<u>28,163</u>	<u>24,427</u>
<b>Net current assets</b>			
		<u>28,163</u>	<u>24,427</u>
<b>Total assets less current liabilities</b>		<u>35,820</u>	<u>30,014</u>
<b>Creditors</b> amounts falling due after more than one year	15	400	-
<b>Provisions for liabilities and charges</b>			
Deferred taxation	9	434	131
		<u>34,986</u>	<u>29,883</u>
<b>Capital and reserves</b>			
Called up share capital	18	550	550
Profit and loss account	19	34,436	29,333
	19	<u>34,986</u>	<u>29,883</u>

Approved by the Board and authorised for issue on the 24<sup>th</sup> October 2008



G D Smith  
Director

24<sup>th</sup> October 2008

## Notes to the financial statements at 31 December 2007

### 1. Accounting policies

#### *Basis of preparation*

The financial statements are prepared under the historical cost convention, and in accordance with applicable accounting standards

The company is exempt from the requirement to prepare group accounts by virtue of section 228 of the Companies Act 1985. These accounts therefore present information about the company as an individual undertaking, not about its group.

#### *Cash flow statement*

The directors have taken advantage of the exemption in FRS1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

#### *Research and development*

Research and development expenditure is written off in the year in which it is incurred.

#### *Revenue Recognition*

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding VAT and other sales taxes and duty. Revenue from the sales of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

#### *Tangible Assets and Depreciation*

All fixed assets are initially recorded at cost.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Freehold buildings	-	50 years
Plant and machinery	-	3 to 15 years

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

#### *Investments*

Investments are accounted for at the lower of cost or net realisable value.

## Notes to the financial statements

at 31 December 2007

### 1. Accounting policies (continued)

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows

Raw materials, consumables and goods for resale	-	purchase cost on a first-in, first-out basis
Work in progress and finished goods	-	cost of direct materials and labour plus attributable overheads based on a normal level of activity

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal

#### *Deferred taxation*

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

#### *Pension costs*

The company participates in a multi-employer defined benefit pension plan. This plan is operated on a basis which means that it does not enable individual companies to identify their share of the underlying assets and liabilities on a consistent and reasonable basis, so in accordance with FRS17 the company accounts for its contributions to the scheme as if it were a defined contribution plan

Contributions to defined contribution plans are charged to the profit and loss account when they become payable

#### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and gains and losses are included in the profit and loss account

#### *Operating leases*

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

## Notes to the financial statements at 31 December 2007

### 2. Turnover

Turnover represents the invoice value of goods and services provided, excluding value added tax

An analysis of turnover by geographical market is given below

	2007 £000	2006 £000
United Kingdom	59,982	59,810
Continental Europe	4,820	6,168
Australasia	895	796
Rest of the World	7,011	5,359
	<u>72,708</u>	<u>72,133</u>

In the opinion of the directors, the company is engaged in a single class of business the manufacture and distribution of lighting and fire detection equipment

### 3. Operating profit

This is stated after charging

	2007 £000	2006 £000
Auditors' remuneration - audit of the financial statements	42	29
- taxation	<u>1</u>	<u>5</u>
Research and development expenditure written off	<u>306</u>	<u>224</u>
Depreciation of owned fixed assets	<u>625</u>	<u>811</u>
Operating lease rentals - land and buildings	329	305
- plant and machinery	<u>1,051</u>	<u>687</u>

### 4. Exceptional items

	2007 £000	2006 £000
Recognised in arriving at operating profit		
Exceptional income	-	306
Recognised below operating profit		
Profit on disposal of tangible fixed assets	<u>1</u>	<u>936</u>

Income of £306,000 arose in the prior year which the directors consider to be exceptional. This related to a £321,000 credit in respect of release of an accrual for the costs of replacement of a faulty component in shipped product, net of £15,000 costs in respect of facility closure costs.

The profit on disposal of fixed assets in 2006 related to the sale of a closed facility.

Cooper Lighting and Safety Limited  
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**Notes to the financial statements**  
at 31 December 2007

**5. Staff costs**

	2007 £000	2006 £000
Wages and salaries	16,573	15,486
Social security costs	1,536	1,542
Other pension costs (note 20)	570	542
	<u>18,679</u>	<u>17,570</u>

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

	2007 No	2006 No
Production	451	492
Distribution	299	261
Administration	34	35
	<u>784</u>	<u>788</u>

**6. Directors' emoluments**

	2007 £000	2006 £000
Emoluments	244	151
Contributions to defined contribution pension schemes	26	50
	<u>270</u>	<u>201</u>

	2007 No	2006 No
Members of defined contribution pension schemes	<u>2</u>	<u>2</u>

The amounts in respect of the highest paid director are as follows

	2007 £000	2006 £000
Emoluments	184	92
Contributions to defined contribution pension schemes	21	10
	<u>205</u>	<u>102</u>

The highest paid director exercised share options in the ultimate parent company during the year and also received shares under the group's long term incentive scheme

Cooper Lighting and Safety Limited  
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**Notes to the financial statements**  
at 31 December 2007

**7. Interest receivable**

	2007 £000	2006 £000
Bank interest	<u>816</u>	<u>583</u>

**8. Interest payable**

	2007 £000	2006 £000
Bank interest	<u>2</u>	<u>1</u>

**9. Taxation on ordinary activities**

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2007 £000	2006 £000
<i>Current tax</i>		
UK corporation tax	2,258	2,082
Foreign tax	95	104
Adjustment in respect of previous periods	<u>136</u>	<u>-</u>
Total current tax (note 9(b))	<u>2,489</u>	<u>2,186</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	58	21
Adjustments in respect of previous periods	<u>245</u>	<u>(188)</u>
	<u>303</u>	<u>(167)</u>
Tax on profit on ordinary activities	<u>2,792</u>	<u>2,019</u>

## Notes to the financial statements

at 31 December 2007

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year differs from the standard rate of corporation tax in the UK of 30% (2006 - 30%) The differences are reconciled below

	2007 £000	2006 £000
Profit on ordinary activities before taxation	7,894	8,993
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30.00% (2006 - 30.00%)	2,368	2,698
Disallowed expenses and non-taxable income	59	80
Capital allowances in excess of depreciation	(71)	191
Short term timing differences	3	(213)
Depreciation on ineligible assets	8	-
Difference in tax treatment on disposal of fixed assets	-	(515)
Benefit of share option deduction	(14)	(55)
Adjustment in respect of prior year	136	-
Total current tax (note 9(a))	2,489	2,186

(c) Deferred tax liability

	2007 £000	2006 £000
Capital allowances in advance of depreciation	(455)	(319)
Other timing differences	21	188
Deferred taxation liability	(434)	(131)
		£000
At 1 January 2007		(131)
Profit and Loss Account charge during the year		(303)
At 31 December 2007		(434)

(d) Factors that may affect future tax charges

On 21 March 2007 the Chancellor of the Exchequer announced a number of corporate tax reforms effective from 1 April 2008. The following changes to corporation tax will have an impact on the company's future tax charges

- a reduction in the main rate of corporation tax from 30% to 28%. The deferred tax balance at 31 December 2007 reflects this change

- a number of changes to the capital allowances regime including a reduction in the rate of capital allowances on plant and machinery additions from 25% to 20% and the phased withdrawal of industrial buildings allowances over the four years to 2010-2011



## Notes to the financial statements

at 31 December 2007

### 10. Tangible fixed assets

	<i>Freehold Property £000</i>	<i>Plant &amp; Machinery £000</i>	<i>Total £000</i>
Cost			
At 1 January 2007	3,579	14,470	18,049
Additions	-	580	580
Disposals	-	(217)	(217)
At 31 December 2007	<u>3,579</u>	<u>14,833</u>	<u>18,412</u>
Depreciation			
At 1 January 2007	619	12,306	12,925
Provided during the year	85	540	625
Disposals	-	(215)	(215)
At 31 December 2007	<u>704</u>	<u>12,631</u>	<u>13,335</u>
Net book value			
At 31 December 2007	<u>2,875</u>	<u>2,202</u>	<u>5,077</u>
At 31 December 2006	<u>2,960</u>	<u>2,164</u>	<u>5,124</u>

The cost of non-depreciable land is £795,000 (2006 - £795,000)

### 11. Investments

	<i>Shares in group companies £000</i>
Cost	
At 1 January 2007	463
Additions	2,117
At 31st December 2007	<u>2,580</u>
Net book value	
At 31 December 2007	<u>2,580</u>
At 1 January 2007	<u>463</u>

The company holds the following interests in group companies

	<i>Country of incorporation</i>	<i>Principal activity</i>	<i>Class and percentage of shares held</i>
Kestron Units Limited	England	Dormant	100% of Ordinary £1 shares
Clarity Lighting Limited	England	Lighting*	100% of Ordinary £1 shares
LED Storm Limited	England	Lighting*	100% of Ordinary £1 shares

\*Manufacture and distribution of lighting equipment

Cooper Lighting and Safety Limited  
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**Notes to the financial statements**  
at 31 December 2007

**12. Stocks**

	2007 £000	2006 £000
Raw materials and consumables	2,242	2,693
Work in progress	654	671
Finished goods and goods for resale	3,728	3,658
	<u>6,624</u>	<u>7,022</u>

The difference between the purchase price or production cost of stocks and their replacement cost is considered by the directors as being not material

**13. Debtors**

	2007 £000	2006 £000
Trade debtors	15,052	13,732
Amounts owed by group undertakings	11,451	10,647
Other debtors	29	24
Prepayments and accrued income	451	326
	<u>26,983</u>	<u>24,729</u>

**14. Creditors: amounts falling due within one year**

	2007 £000	2006 £000
Trade creditors	10,140	10,205
Amounts owed to group undertakings	10,485	10,120
Corporation tax	2,258	1,945
Other taxes and social security costs	1,524	1,417
Other creditors	762	778
Accruals	1,036	604
	<u>26,205</u>	<u>25,069</u>

There were outstanding pension contributions of £73,492 (2006 £63,159) included in creditors at the balance sheet date

**15. Creditors: amounts falling due after more than one year**

	2007 £000	2006 £000
Deferred element of Clarity Lighting Limited and LED Storm Limited purchase consideration	<u>400</u>	<u>-</u>

## Notes to the financial statements

at 31 December 2007

### 16. Obligations under operating leases

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as set out below

	2007		2006	
	<i>Land and buildings £000</i>	<i>Other £000</i>	<i>Land and buildings £000</i>	<i>Other £000</i>
Operating leases which expire				
Within one year	5	116	-	141
In two to five years	353	755	301	445
In over five years	-	17	-	-
	<u>358</u>	<u>888</u>	<u>301</u>	<u>586</u>

### 17. Contingent liability

Guarantees have been given by the company in the ordinary course of business in respect of overdraft facilities granted to certain group companies. At the balance sheet date, £49,663,000 (2006 £38,422,000) was outstanding under such guarantees.

### 18. Authorised and issued Share capital

	<i>Authorised</i>	
	<i>2007 £000</i>	<i>2006 £000</i>
11,000,000 ordinary shares of £0.05 each	<u>550</u>	<u>550</u>

  

	<i>Allotted, called up and fully paid</i>	
	<i>2007 £000</i>	<i>2006 £000</i>
Ordinary shares of £0.05 each	<u>550</u>	<u>550</u>

### 19. Reconciliation of shareholders' funds and movement on reserves

	<i>Share capital £000</i>	<i>Profit and loss account £000</i>	<i>Total share- holders' funds £000</i>
At 1 January 2006	550	22,360	22,910
Profit for the year	-	6,974	6,974
At 31 December 2006	<u>550</u>	<u>29,334</u>	<u>29,884</u>
Profit for the year	-	5,102	5,102
At 31 December 2007	<u>550</u>	<u>34,436</u>	<u>34,986</u>

## Notes to the financial statements

at 31 December 2007

### 20. Pension commitments

The company participates in a number of pension schemes. One of these pension schemes is a defined benefit multi-employer scheme, the Cooper Consolidated Pension Plan. The scheme includes employees of other fellow group undertakings and is funded by the payment of contributions to separately administered trust funds.

The company is unable to identify its share of the assets and liabilities of the scheme on a consistent and reasonable basis. The company therefore accounts for its pension contributions to the scheme on a defined contribution basis, as allowed by FRS17. The pension costs are determined by a professionally qualified actuary on the basis of triennial valuations. The last formal valuation was made as at 5 April 2007. The valuation was made using the projected unit method.

The scheme was closed to new entrants on 31 August 1999. £257,000 of contributions were made to the scheme by this company during 2007 (2006 £277,000). Contributions to the scheme during the year were at rate of 20% of pensionable salary. With effect from May 2008, the scheme was closed to future accruals and therefore there will be no active members of the scheme.

The valuation of the scheme was updated for FRS17 purposes at 31 December 2007 by a qualified actuary. The major assumptions used by the actuary to determine the liabilities on a FRS17 basis for the scheme are set out below.

	2007 %	2006 %	2005 %
Main assumptions			
Rate of increase in salaries	3.50	3.50	3.40
Rate of increase in pensions in payment	3.50	3.50	3.50
Discount rate	5.75	5.00	4.70
Inflation assumption	3.50	3.00	2.90

The assets of the scheme and the expected rate of return were

	2007		2006		2005	
	Expected rate of return %	Value £000	Expected rate of return %	Value £000	Expected rate of return %	Value £000
Equities	8.25	15,586	8.25	15,140	7.50	15,790
Government Bonds	4.50	7,331	4.25	7,010	4.10	5,210
Corporate Bonds	5.75	3,074	5.00	3,010	4.50	2,280
Other	5.25	257	5.25	80	4.60	100
Total market value of assets		26,248		25,240		23,380
Actuarial value of scheme liabilities		(23,532)		(24,940)		(25,380)
Surplus/(Deficit) in the scheme		2,716		300		(2,000)

## Notes to the financial statements

at 31 December 2007

### 20. Pension commitments (continued)

Full details of the Cooper Consolidated Pension Plan are shown in the financial statements of Cooper Industries (UK) Limited, a fellow group undertaking

The other schemes in which the company participates are defined contribution pension schemes. The pension cost charged to the profit and loss account represents the contributions payable by the company to the scheme and amounted to £313,000 in the year ended 31 December 2007 (2006 £265,000)

### 21. Ultimate parent company

The immediate parent company is Crompton Lighting Holdings Limited, which is registered in England and Wales

The parent undertaking of the only group of which the company is a member and for which group accounts are prepared is Cooper Industries Limited, a company registered in Bermuda. Copies of these accounts are available from Jephson Court, Tancred Close, Royal Leamington Spa, CV31 3RZ, England. The company's ultimate parent undertaking is Cooper Industries Limited, a company registered in Bermuda

### 22. Events since the balance sheet date

On 1 January 2008, the company acquired the trade and assets of its subsidiary companies, Clarity Lighting Limited and LED Storm Limited, both of which are engaged in the manufacture and distribution of lighting equipment

### 23. Transactions with related parties

The company made purchases of £5,777,517 (2006 £5,325,650) from Digital Lighting, a company registered in China of which 50% of the shares are held by the Cooper Group worldwide. At the year end the amount owed to Digital Lighting was £464,443 (2006 £377,422)

The company has taken advantage of the exemption granted within FRS8, which does not require disclosure of transactions between group companies where more than 90% of the company's voting rights are controlled within the group