Registered number: 03012749

Cooper Lighting and Safety Limited

Report and Financial Statements

31 December 2014

Directors
M G Mullin
S Currier

Secretary
Abogado Nominees Limited

Auditors
Ernst & Young LLP
G1 Building
5 George Square
Glasgow
G2 1DY

Solicitors
Baker & McKenzie
100 New Bridge Street
London EC4V 6JA

Registered office
100 New Bridge Street
London EC4V 6JA

Registered No. 03012749

Strategic report

Principal activity and review of the business

The principal activity of the company during the year was, and will continue to be that of the manufacture and distribution of lighting and fire detection equipment.

During the year the company's turnover fell by (7.4%) to £61,513,000 (2013 – £66,408,000). Decline was visible within both the UK and export project market, where work continues to be sporadic and subject to fiscal constraints. This was partially offset by a strong performance within Europe due to increased sales through the company's Irish branch. A move away from traditional fluorescent lighting solutions to the latest LED technology yielded a greater unit sales price on key product lines but also contributed to reduced margin performance.

During the year, steps were taken to refinance a dormant subsidiary undertaking, JSB Electrical Ltd, by making a capital contribution of £8,324,000. Another dormant subsidiary, Kestron Units Ltd, paid a dividend to the company during the year of £463,000, which reduced the net assets of Kestron Units Ltd to £1. These two transactions resulted in the need to write down investments in subsidiaries by £8,787,000. This has been fully charged to the profit and loss account during the year and has been disclosed as an exceptional item given the one off nature of this event.

Key performance indicators

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

	2014	*2013*
	£000	*£000*
Company Turnover	61,513	66,408
% change from prior year	(7.4%)	(4.4%)
Gross Margin	14,593	18,400
As a % of net revenue	23.7%	27.7%
Operating loss	(4,130)	(614)
As a % of net revenue	(6.7%)	(0.9%)
Trade receivable days	71.9	65.3
Stock days	54.6	59.4

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

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. The company benefits from services provided by Eaton's central Treasury team including hedging activities carried out on its behalf to help mitigate this risk.

Strategic report (continued)

Principal risks and uncertainties (continued)

Legislative risk:

In the UK and Europe, lighting equipment must be manufactured to EU standards. These standards are subject to continuous revision and any new directive may have a material impact on the ability of the company to manufacture and supply products at a profit.

Economic risk:

Project business remains sporadic and subject to fiscal constraints. Despite a slow start to 2014, the second half of the year saw an upturn in the market which is expected to continue throughout 2015. Sales mix can have a material impact on the company's profitability with export sales via inter-company partners typically yielding reduced margins. The introduction of LED lighting solutions has resulted in reduced demand for traditional fluorescent products and, although LED products yield a higher sales value per unit, the associated production costs are also higher which results in an overall reduction to gross margin percentage.

On behalf of the Board

S Currier
Director
Date: 28 / 9 / 2015

Directors' report

The directors present their report and financial statements for the year ended 31 December 2014.

Results and dividends

The loss for the year after taxation amounted to £12,856,000 (2013 – loss of £413,000). The directors do not recommend a final dividend (2013 – £nil).

Future developments

The company is expected to continue with its current activity.

Going concern

The Directors acknowledge the significant loss in the year which was largely due to the impairment of investments in JSB Electrical Ltd and Kestron Units Ltd. This represents a one-time event and, as such, there are no material uncertainties that cast significant doubt about the ability of the company to continue as a going concern.

Directors

The directors who served the company during the year and up to the date of this report were as follows:

M G Mullin
S D Whittaker (resigned 27th March 2015)
S Currier (appointed 28th May 2015)

Directors' qualifying third party indemnity provisions

Eaton Corporation plc. the ultimate parent, has indemnified one or more directors of the company against liability in respect of proceedings brought by third parties subject to conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Research and development activities

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.

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 interests 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' report (continued)

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board

S Currier

Director

Date: 28 / 9 / 2015

Statement of directors' responsibilities

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing 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; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

Independent auditors' report

to the members of Cooper Lighting and Safety Limited

We have audited the financial statements of Cooper Lighting and Safety Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditors' report (continued)

to the members of Cooper Lighting and Safety Limited

Matters on which we are required to report by exception

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

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

Ernst & Young LLP

Annie Graham, Senior Statutory Auditor
For and on behalf of Ernst & Young LLP, Statutory Auditor
Glasgow
Date: 29/9/15

Profit and loss account

for the year ended 31 December 2014

	Notes	2014 £000	2013 £000
Turnover	2	61,513	66,408
Cost of sales		(46,920)	(48,008)
Gross profit		14,593	18,400
Distribution costs		(11,377)	(11,108)
Administrative expenses		(7,346)	(7,906)
Operating loss	3	(4,130)	(614)
Interest receivable and similar income	7	54	85
Income from shares in group undertakings		438	-
Exceptional Items			
Provision against shares in group undertakings	4	(8,787)	-
Loss on ordinary activities before taxation		(12,425)	(529)
Tax	8	(431)	116
Loss for the financial year	16	(12,856)	(413)

All amounts relate to continuing activities.

Statement of total recognised gains and losses

for the year ended 31 December 2014

	2014 £000	2013 £000
Loss for the financial year	(12,856)	(413)
Retranslation of opening reserves of overseas operation	151	-
Total recognised gains and losses for the year	(12,705)	(413)

Balance sheet

at 31 December 2014

	Notes	*2014* *£000*	*2013* *£000*
Fixed assets			
Intangible assets	9	602	702
Tangible assets	10	5,763	5,459
Investments	11	-	463
		6,365	6,624
Current assets			
Stocks	12	7,012	7,812
Debtors	13	40,995	31,284
Cash at bank and in hand		2,206	17,805
		50,213	56,901
Creditors: amounts falling due within one year	14	(26,989)	(21,470)
Net current assets		23,224	35,431
Total assets less current liabilities		29,589	42,055
Provisions for liabilities	8	(425)	(186)
Net assets		29,164	41,869
Capital and reserves			
Called up share capital	15	550	550
Profit and loss account	16	28,614	41,319
Shareholders' funds	16	29,164	41,869

These financial statements were approved and authorised for issue by the board and signed on its behalf by:

S Currier

Director

Date: 28/ 9 / 2015

Reg no: 03012749

Notes to the financial statements

at 31 December 2014

1. Accounting policies

Basis of preparation

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

Group financial statements

The company is exempt from the requirement to prepare group financial statements by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking, not about its group.

Statement of cash flows

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

Research and development

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

Tangible fixed assets

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 - 15 years

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.

Goodwill

Goodwill is the difference between the cost of an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities. Positive goodwill arising on acquisitions is capitalised, classed as an asset on the balance sheet and amortised on a straight line basis over its estimated useful life.

Goodwill is being amortised in equal annual instalments over 10 years based on pre-tax cash flow projections derived from financial budgets covering the amortization period.

Goodwill is reviewed for impairment at the end of the first full year following the acquisition and in other periods if events or changes indicate that the carrying value may not be recoverable.

Investments

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

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

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.

Notes to the financial statements

at 31 December 2014

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.

Taxation

The charge for taxation is based on the result for the year and takes into consideration timing differences arising as a result of different treatments of certain items for taxation and accounting purposes.

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.

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

Operating lease rentals are charged to the profit and loss account on a straight line basis over the life of the lease.

Government Grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to the profit and loss account over the expected useful lives of the relevant assets by equal annual instalments.

Pensions

The company participates in a multi-employer defined benefit pension plan. The individual companies are not able 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.

Notes to the financial statements

at 31 December 2014

2. Turnover

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

An analysis of turnover by geographical market is given below:

	2014	2013
	£000	£000
United Kingdom	38,233	43,131
Continental Europe	8,316	5,828
Australasia and Far East	1,515	2,162
Rest of the World	13,449	15,287
	61,513	66,408

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 loss

This is stated after charging/(crediting):

	2014	2013
	£000	£000
Auditors' remuneration – audit of the financial statements	53	48
Amortisation of government grants	(23)	(23)
Research and development expenditure written off	747	708
Depreciation of owned fixed assets	64	1,290
Amortisation of goodwill	100	100
Operating lease rentals – plant and machinery	1,286	1,388
– land and buildings	14	2
Restructuring costs	471	278

The restructuring costs incurred relates to restructuring of the distribution fleet and finance operations.

4. Exceptional Items

	2014	2013
	£000	£000
Provision against shares in group undertaking	8,787	-

During the year, steps were taken to refinance a dormant subsidiary undertaking, JSB Electrical Ltd, by making a capital contribution of £8,324,000.

Another dormant subsidiary, Kestron Units Ltd, paid a dividend to the company during the year of £463,000, which reduced the net assets of Kestron Units Ltd to £1. These two transactions resulted in the need to write down investments in subsidiaries by £8,787,000.

Notes to the financial statements

at 31 December 2014

5. Directors' remuneration

Remuneration in respect of directors remunerated by Cooper Lighting and Safety Limited:

	2014	*2013*
	£000	*£000*
Remuneration	-	12
Contributions to defined contribution pension schemes	-	4
	-	16
	No.	*No.*
Members of defined contribution pension schemes	-	1

No directors received share options in Eaton Corporation plc, during the year (2013; 1).

The directors remunerated by Cooper Lighting and Safety Limited perform qualifying services for this company only and not for other companies in the Eaton group.

In addition, a number of other directors of the company are remunerated by other companies in the Eaton group. These directors estimate that the value of their qualifying services provided to this company is £59,600 (2013: £48,000).

6. Staff costs

	2014	*2013*
	£000	*£000*
Wages and salaries	15,491	16,192
Social security costs	1,418	1,426
Other pension costs (note 16)	1,392	759
	18,301	18,377

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

	No.	*No.*
Production	372	395
Distribution	202	220
Administration	26	25
	600	640

Notes to the financial statements

at 31 December 2014

7. Interest receivable and similar income

	2014	*2013*
	£000	*£000*
Interest receivable from group undertakings	26	85
Bank interest receivable	28	-
	54	85

8. Tax

(a) Tax on loss on ordinary activities

The tax credit is made up as follows:

	2014	*2013*
	£000	*£000*
Current tax:		
UK corporation tax on the loss for the year	110	-
Adjustments in respect of prior periods	82	-
Double taxation relief	(110)	(34)
Foreign tax	110	34
Total current tax (note 8(b))	192	-
Deferred tax:		
Origination and reversal of timing differences	237	(64)
Impact of change in rates	-	(38)
Adjustments in respect of previous years	2	(14)
Total deferred tax	239	(116)
Tax on loss on ordinary activities	431	(116)

Notes to the financial statements

at 31 December 2014

8. Tax (continued)

(b) Factors affecting current tax (credit)/charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 21.49% (2013 – 23.25%). The differences are explained below:

	2014	*2013*
	£000	*£000*
Loss on ordinary activities before tax	(12,425)	(529)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.49% (2013 – 23.25%)	(2,670)	(123)
Effects of:		
Disallowed expenses and non-taxable income	1,823	33
Accelerated capital allowances	(254)	72
Short term timing differences	(1)	2
Depreciation on ineligible assets	158	93
Adjustments to tax charge in respect of previous periods	82	-
Other permanent differences	(4)	-
Group relief (received)/surrendered for nil payment	1,058	(77)
Current tax for the year (note 8(a))	192	-

(c) Deferred tax

	2014	*2013*
	£000	*£000*
Capital allowances in advance of depreciation	(453)	(215)
Other timing differences	28	29
Deferred taxation liability	(425)	(186)

	£000
At 1 January 2014	(186)
Deferred tax charged in the profit and loss account	(239)
At 31 December 2014	(425)

(d) Factors affecting future tax

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) was substantively enacted on 3 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 December 2014 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

Notes to the financial statements

at 31 December 2014

9. Intangible fixed assets

	Goodwill
	£000
Cost:	
At 1 January 2014 and 31 December 2014	1,002
Amortisation:	
At 1 January 2014	(300)
Charge for the year	(100)
At 31 December 2014	(400)
Net book value:	
At 31 December 2014	602
At 31 December 2013	702

10. Tangible fixed assets

	Freehold property	*Plant and machinery*	*Total*
	£000	*£000*	*£000*
Cost:			
At 1 January 2014	5,145	13,873	19,018
Additions	1	384	385
Disposals	-	(24)	(24)
At 31 December 2014	5,146	14,233	19,379
Depreciation:			
At 1 January 2014	1,302	12,257	13,559
Provided during the year	115	(51)	64
Disposals	-	(7)	(7)
At 31 December 2014	1,417	12,199	13,616
Net book value:			
At 31 December 2014	3,729	2,034	5,763
At 31 December 2013	3,843	1,616	5,459

Included in freehold property is freehold land of £1,040,000 (2013: £1,040,000) which is not depreciated.

During the year the directors identified that depreciation in the prior period was overstated. The directors have corrected this in the current year as the overcharge of depreciation, amounting to £613,000, was not considered to be material to the users of the financial statements.

Notes to the financial statements

at 31 December 2014

11. Investments

	Shares in group companies
	£000
Cost:	
At 1 January 2014	1,654
Additions	8,324
At 31 December 2014	9,978
Provisions:	
At 1 January 2014	1,191
Provided during the year	8,787
At 31 December 2014	9,978
Net book value:	
At 31 December 2014	-
At 31 December 2013	463

The company holds the following investments:

	Country of incorporation	*Principal activity*	*Class and percentage of shares held*
Kestron Units Limited	England & Wales	Non trading	100% of Ordinary £1 shares
Regalsafe Limited	England & Wales	Non trading	100% of Ordinary £1 shares
JSB Electrical Ltd	England & Wales	Non trading	100% of Ordinary £1 shares

The company acquired the whole share capital of JSB Electrical Ltd on 1st November 2014. On 18th December 2014 the company made a capital contribution of £8,324,000 to JSB Electrical Ltd. Kestron Units Ltd also paid a dividend to the company during the year amounting to £463,000 which reduced the net assets of Kestron Units Ltd to £1. These two transactions resulted in the need to write down investments in subsidiaries by £8,787,000.

12. Stocks

	2014	*2013*
	£000	*£000*
Raw materials and consumables	3,366	3,122
Work in progress	312	460
Finished goods and goods for resale	3,334	4,230
	7,012	7,812

The directors do not consider the difference between the purchase price or production cost of stocks and their replacement cost to be material.

Notes to the financial statements

at 31 December 2014

13. Debtors

	2014	*2013*
	£000	*£000*
Trade debtors	12,110	11,886
Amounts owed by group undertakings	28,383	19,377
Other debtors	7	-
Prepayments and accrued income	495	22
	40,995	31,285

14. Creditors: amounts falling due within one year

	2014	*2013*
	£000	*£000*
Trade creditors	5,998	6,695
Amounts owed to group undertakings	15,158	11,745
Other taxes and social security costs	1,959	1,686
Other creditors	1,794	484
Corporation Tax	79	-
Accruals	2,001	860
	26,989	21,470

There were outstanding pension contributions of £81,000 (2013 – £78,000) included in creditors at the balance sheet date.

15. Issued share capital

		2014		*2013*
Allotted, called up and fully paid	*No.*	*£000*	*No.*	*£000*
Ordinary shares of 5p each	11,000,000	550	11,000,000	550

16. Reconciliation of shareholders' funds and movements on reserves

	Share capital	*Profit and loss account*	*Total share-holders' funds*
	£000	*£000*	*£000*
At 1 January 2013	550	41,732	42,282
Loss for the year	-	(413)	(413)
At 1 January 2014	550	41,319	41,869
Loss for the year	-	(12,856)	(12,856)
Retranslation of opening reserves of overseas operation	-	151	151
At 31 December 2014	550	28,614	29,164

Notes to the financial statements

at 31 December 2014

17. Pensions

The company participates in a number of pension schemes including the Cooper Consolidated Pension Plan. A number of subsidiaries of Cooper Industries (UK) Limited and other fellow undertakings in the Cooper Group also participate in this defined benefit pension scheme. The scheme was closed to new entrants on 1 April 1993 and closed to future accrual on 1 May 2008.

This is a multi-employer scheme, providing benefits to the employees of a number of Cooper companies within the UK. Since the company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis, the company is accounting for the scheme on a defined contribution basis in accordance with FRS 17.

Contributions of £450,550 were made to the scheme by the company in 2014 (2013; nil).

The valuation used has been based on the most recent actuarial valuation of 5 April 2013 and was updated for FRS 17 purposes at 31 December 2014 by a qualified, independent actuary. The major assumptions used by the actuary to determine the liabilities on a FRS 17 basis for the scheme are set out below:

	2014	*2013*
	%	*%*
Inflation	2.55 to 3.30	2.80 to 3.55
Rate of increase to pensions in payment	2.15 to 3.60	2.30 to 3.70
Discount rate	3.65	4.40
Expected long term return on plan assets	3.65	6.00

Under the mortality tables adopted, the assumed future life expectancy at age 65 is as follows:

	2014	*2014*	*2013*	*2013*
	Male	*Female*	*Male*	*Female*
Member age 65 (current life expectancy)	22.2	24.7	20.4	22.7
Member age 45 (life expectancy at age 65)	23.6	26.2	21.5	23.6

The major categories of assets as a percentage of total assets are as follows:

	2014	*2013*
	%	*%*
Equities	60	61
Gilts	28	27
Bonds	12	11
Cash	-	1

Notes to the financial statements

at 31 December 2014

17. Pensions (continued)

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

	2014	*2013*	*2012*	*2011*	*2010*
	£000	*£000*	*£000*	*£000*	*£000*
Defined benefit obligation	(38,121)	(31,871)	(31,533)	(27,388)	(25,752)
Scheme assets	36,965	33,029	30,167	28,140	27,410
(Deficit)/Surplus in scheme	(1,156)	1,158	(1,366)	752	1,658

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 £941,000 in the year ended 31 December 2014 (2013 - £759,000).

18. Other financial commitments

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as set out below:

		2014		*2013*
	Land and buildings	*Other*	*Land and buildings*	*Other*
	£000	*£000*	*£000*	*£000*
Operating leases which expire:				
Within one year	-	118	9	100
In two to five years	-	747	-	782
Over five years	-	-	-	-
	-	865	9	882

19. 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 £Nil (2013 – £67,159,000) was outstanding under such guarantees. The directors do not consider it likely that these guarantees will be called upon during 2015.

20. Related party transactions

Under FRS 8 the company is exempt from the requirements to disclose transactions with other group undertakings on the grounds that its results are included in the group financial statements of Eaton Corporation plc. of Ireland, which are publicly available.

21. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Crompton Lighting Holdings Limited, which is registered in England and Wales. The parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member and the controlling party is Eaton Corporation plc. a company incorporated in Ireland and listed on the New York Stock Exchange.

Copies of the above financial statements can be obtained from the offices of Cooper Industries (U.K.) Limited which are located at Jephson Court, Tancred Close, Royal Leamington Spa, CV31 3RZ, England.