

Registration number: 02072152

GE Lighting Limited
Annual Report and Financial Statements
for the Year Ended 31 December 2016

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GE Lighting Limited

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GE Lighting Limited

Directors' Report

The directors present their report and the financial statements for the year ended 31 December 2016.

Principal activity

The principal activities of the company are the sale of light source products through channel partners and providing turnkey energy solutions through its „Current, powered by GE“ business unit. The company earns commission from sales of products supplied by GE Hungary Kft.

Results and dividends

The loss for the year, after taxation, amounted to £6,180,000 (2015: £984,000).

The directors do not recommend the payment of a dividend (2015: £nil).

Directors of the company

The directors who held office during the year and up to the date of the directors' report were as follows:

S J Greenwood (resigned 6 March 2017)

M P Barrett

K R Bailey

Post balance sheet events

On 1st September 2017, GE Consumer & Industrial OY (incorporated in Finland) and GE Power Controls Sp. Zoo (incorporated in Poland) have transferred their Current business units to GE Lighting Ltd. These business units distribute specialty lighting products through the GE Hungary commissionaire process.

The contractual purchase price of GE Consumer & Industrial OY Current business was €440,000, and the purchase price of the GE Power Controls Sp. Zoo Current business was PLN 700,000.

Directors' liabilities

One or more of the directors have benefited from qualifying third party indemnity provisions in place during the financial year and subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provisions remain in force as at the date of approving the directors' report.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

The auditor, KPMG LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 21 September 2017 and signed on its behalf by:

.....
K R Bailey
Director



GE Lighting Limited

Strategic Report

Business review

The results for the company show a pre-tax loss of £6.2 million (2015: loss of £1.0 million) for the year and turnover of £7.0 million (2015: £13.5 million)

2016 was a challenging year for the traditional light source business due to the effect of legislation on traditional product lines and the increased competition which led to the loss of a significant consumer partner in 2016. From an energy solutions perspective 2016 was Current's the first full year of trading. The business was able to build on the successes and lessons learned from the previous year and ensure it was structured appropriately to support future growth aspirations. In addition the business was heavily focused on delivering those projects secured in 2015 and building a robust pipeline for future growth.

The net loss for the financial year was primarily driven by the decline in turnover (£6.5 million), which was partially offset by the cessation of the historic pension deficit contribution liability (2015: £3.1 million).

On 23 March 2016, the company's immediate parent undertaking, International General Electric (U.S.A), transferred its entire shareholding in the company (comprising 40,323,305 ordinary shares of £1 each) to IGE USA Holdings (50.1%), General Electric Exports, Inc. (38.7%) and GE UK Holdings (11.2%).

Future outlook

Whilst the trading environment for the traditional light source business continues to be extremely competitive, the business continues to invest in efficiency gains and also in new products for our channel partners. There remains significant growth opportunities in what is a £3.7 billion European market (Source: CSIL The European market for lighting fixtures April 2016), the business remains committed to growing the core lighting business.

Equally the business is optimistic about the future of Current. Current remains focused on providing holistic energy solutions to large Commercial and industrial customers to help drive huge efficiency and productivity gains. Achieved by coupling GE's hardware technologies with its software and digital capabilities it provides a unique opportunity for Current in the UK market.

Principal risks and uncertainties

Despite the uncertainties caused by Brexit, GDP in the UK is forecast to grow at around 1.7% in 2017 and the country continues to have one of the strongest economies in Europe. The UK Lighting industry also remains a fiercely competitive market and continues to experience price deflation. The formation of Current which has a complementary product portfolio and software capability will offer unique differentiation in this competitive market. The company also continues to benefit from the strength of GE brand which helps us position the business with large customers.

GE Lighting Limited

Strategic Report (continued)

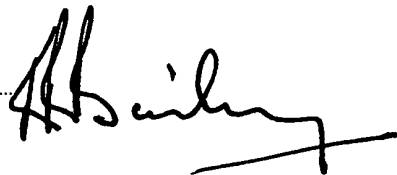
Key performance indicators (KPI's)

Performance during the year, together with historical trend data is set out in the table below:

	2016	2015	Definition, method of calculation
Turnover (%)	-48%	36%	Year on year growth in sales expressed as a percentage.
Operating Margin (%)	-92%	-10%	Operating margin is the ratio of operating profit to sales expressed as a percentage.

Approved by the Board on 21 September 2017 and signed on its behalf by:

.....
K R Bailey
Director



GE Lighting Limited

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 Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and prevent and detect fraud and other irregularities.

GE Lighting Limited

Independent Auditor's Report to the members of GE Lighting Limited

We have audited the financial statements of GE Lighting Limited for the year ended 31 December 2016, set out on pages 7 to 24. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 4, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK 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 is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic Report and the Directors' Report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

GE Lighting Limited

Independent Auditor's Report to the members of GE Lighting Limited (continued)

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.



Anna Barrell (Senior Statutory Auditor)

For and on behalf of
KPMG LLP

Statutory Auditor
Chartered Accountants

One Snowhill
Birmingham
B4 6GH

Date: 22.9.2017

GE Lighting Limited

Statement of Comprehensive Income for the Year Ended 31 December 2016

	Note	2016 £ 000	2015 £ 000
Turnover	4	7,020	13,542
Cost of sales		<u>(2,530)</u>	<u>(3,882)</u>
Gross profit		4,490	9,660
Selling and distribution costs		(3,570)	(4,430)
Administrative expenses		(8,363)	(8,737)
Other operating income	6	<u>991</u>	<u>2,083</u>
Operating loss	7	(6,452)	(1,424)
Interest receivable and similar income	8	292	447
Interest payable and similar expenses	9	<u>(20)</u>	<u>(7)</u>
Loss before tax		(6,180)	(984)
Tax on loss	12	<u>-</u>	<u>-</u>
Loss for the year		(6,180)	(984)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>(6,180)</u></u>	<u><u>(984)</u></u>

The above results were derived from continuing operations.

GE Lighting Limited

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Balance Sheet as at 31 December 2016

	Note	2016 £ 000	2015 £ 000
Fixed assets			
Intangible assets	13	116	182
Investments	14	<u>-</u>	<u>-</u>
		<u>116</u>	<u>182</u>
Current assets			
Debtors	15	77,588	84,833
Cash at bank		<u>27</u>	<u>93</u>
		<u>77,615</u>	<u>84,926</u>
Creditors: Amounts falling due within one year	16	<u>(2,224)</u>	<u>(1,540)</u>
Net current assets		<u>75,391</u>	<u>83,386</u>
Total assets less current liabilities		<u>75,507</u>	<u>83,568</u>
Provisions for liabilities	17	<u>(560)</u>	<u>(2,396)</u>
Net assets		<u>74,947</u>	<u>81,172</u>
Capital and reserves			
Called up share capital	18	40,323	40,323
Share premium account		21,244	21,244
Other reserves		106	151
Profit and loss account		<u>13,274</u>	<u>19,454</u>
Shareholders' funds		<u>74,947</u>	<u>81,172</u>

Approved by the Board on 21 September 2017 and signed on its behalf by:


K R Bailey
Director

GE Lighting Limited

Statement of Changes in Equity for the Year Ended 31 December 2016

	Called up share capital £ 000	Share premium account £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2016	40,323	21,244	151	19,454	81,172
Comprehensive income for the year					
Loss for the year	-	-	-	(6,180)	(6,180)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	(6,180)	(6,180)
Equity compensation expense recognised during the year	-	-	127	-	127
Recharge from GE company in respect of share options exercised during the year	-	-	(172)	-	(172)
At 31 December 2016	<u>40,323</u>	<u>21,244</u>	<u>106</u>	<u>13,274</u>	<u>74,947</u>

The notes on pages 11 to 24 form an integral part of these financial statements.

GE Lighting Limited

Statement of Changes in Equity for the Year Ended 31 December 2016 (continued)

	Called up share capital £ 000	Share premium account £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2015	40,323	21,244	126	20,438	82,131
Comprehensive income for the year					
Loss for the year	-	-	-	(984)	(984)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	(984)	(984)
Equity compensation expense recognised during the year	-	-	79	-	79
Recharge from GE company in respect of share options exercised during the year	-	-	(54)	-	(54)
At 31 December 2015	<u>40,323</u>	<u>21,244</u>	<u>151</u>	<u>19,454</u>	<u>81,172</u>

The notes on pages 11 to 24 form an integral part of these financial statements.
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GE Lighting Limited

Notes to the Financial Statements

1 General information

The company is a private company limited by share capital incorporated and domiciled in the United Kingdom.

The address of its registered office is:

The Ark 201
Talgarth road
Hammersmith
London
United Kingdom
W6 8BJ

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006. 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 International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), 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 preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

Exemption from preparing group accounts

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The results of the company are included in the consolidated financial statements of General Electric Company which are available from 41 Farnsworth Street, Boston, MA 02210, USA or at www.ge.com.

GE Lighting Limited

Notes to the Financial Statements

2 Accounting policies (continued)

Summary of disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 118(e) of IAS 38 Intangible Assets,
 - the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
 - the requirements of IAS 7 Statement of Cash Flows;
 - the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
 - the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
 - the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;

Going concern

On the basis of their assessment of the company's financial position and resources, the directors believe that the company is well placed to manage its business risks. Therefore the company's directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Revenue recognition

Turnover represents commission income received less customer discounts, rebates and other direct sales and fees from services in relation to implementing lighting solutions. Commission is recognised upon delivery of goods on behalf of GE Hungary Kft and a service fee is recognised upon delivery acknowledgement by the customer.

Foreign currency transactions and balances

The accounts are presented in sterling which is the company's functional and presentational currency.

Transactions in foreign currencies are recorded using a monthly average operating exchange rate. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate ruling at the balance sheet date. *The gains or losses arising are included in the Statement of Comprehensive Income.*

GE Lighting Limited

Notes to the Financial Statements

2 Accounting policies (continued)

Taxation

Tax is recognised in statement of comprehensive income, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Full provision is made for deferred tax liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Intangible assets

Patents, trademarks and similar rights purchased by the company are amortised to nil by equal instalments over their useful economic lives of 3 years.

Investments

Investment in subsidiaries are shown at cost less provision for impairment.

At each balance sheet date the company reviews the carrying amounts of its investments to determine whether there is any indication that those investments have suffered an impairment loss. If such indication exists, the recoverable amount of the investment is estimated based on its net asset value and value in use. Where the recoverable amount of the investment is less than the carrying value an impairment loss is recognised in Statement of Comprehensive Income in the period.

Operating leases

Rentals paid under operating leases are charged to the profit or loss (net of any incentives received from the lessor) on a straight line basis over the period of the lease.

Pensions

The company is a member of a larger group pension scheme providing benefits based on final pensionable pay. The group pension scheme, GE Pension Plan, covers a number of United Kingdom subsidiary companies of General Electric Company. Because the company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, as permitted by IAS 19 Employee Benefits, the scheme has been accounted for in these financial statements as if the scheme was a defined contribution scheme.

GE Lighting Limited

Notes to the Financial Statements

2 Accounting policies (continued)

The company also 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 amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Share based payments

Share options and restricted stock units over the shares of General Electric Company, the ultimate parent entity are granted to certain employees and executives of the company. The fair value of options and units granted is recognised as an employee expense with a corresponding increase in equity, the 'other reserve'.

The fair value is measured at grant date using the Black-Scholes option pricing model, and is recognised as an expense over the period the employees become unconditionally entitled to the options/units. The amount recognised as an expense is adjusted to reflect the actual number of options/units expected to vest. Any recharges by the ultimate parent entity are offset against the 'other reserve'.

In addition the company has established an employee share ownership scheme, under which employees are able to acquire a number of shares in the ultimate parent company, General Electric Company, with the company matching the employees' purchases. The company's costs of these purchases are charged to the profit and loss account as incurred.

Derivatives and hedging

The company enters into derivative instruments primarily to manage exposures to fluctuations in foreign currency exchange rates.

It is the company's policy, where appropriate, to protect the sterling value of its estimated future foreign currency net receivables through the use of forward contracts or currency options. Net revenues and related net receivables covered by forward exchange contracts or options are translated into sterling at contract rates. No account is taken of profits or losses on forward exchange contracts or options which are intended as a hedge against future transactions; such profits and losses are accounted for so as to match the exchange differences arising on the underlying currency transactions.

3 Critical accounting judgments and key sources of estimation uncertainty

The directors consider there are no critical accounting estimates or judgments identified in preparation of the financial statements in compliance with FRS 101.

GE Lighting Limited

Notes to the Financial Statements

4 Turnover

A geographical analysis of turnover is as follows:

	2016 £ 000	2015 £ 000
United Kingdom	996	3,821
Rest of European Union	6,024	9,721
	<u>7,020</u>	<u>13,542</u>

5 Auditor's remuneration

	2016 £ 000	2015 £ 000
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	<u>34</u>	<u>25</u>

6 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2016 £ 000	2015 £ 000
Other operating income	<u>991</u>	<u>2,083</u>

The £1m other income was generated from the intragroup charges related to the headquarter and warehousing services.

7 Operating loss

Operating loss is stated after charging/(crediting):

	2016 £ 000	2015 £ 000
Amortisation- intangible fixed assets	66	31
Operating lease rentals : other operating leases	636	298
Difference on foreign exchange	<u>(64)</u>	<u>-</u>

GE Lighting Limited

Notes to the Financial Statements

8 Interest receivable and similar income

	2016 £ 000	2015 £ 000
Foreign exchange gain on financing activities	8	97
Interest receivable from group companies	284	350
	<u>292</u>	<u>447</u>

9 Interest payable and similar expenses

	2016 £ 000	2015 £ 000
Foreign exchange losses on financing activities	20	7
	<u>20</u>	<u>7</u>

10 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2016 £ 000	2015 £ 000
Wages and salaries	5,678	4,251
Social security costs	852	529
Share based payment expense	127	78
Other pension costs	606	3,542
	<u>7,263</u>	<u>8,400</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2016 No.	2015 No.
Administration and support	22	14
Sales	62	57
Distribution	9	6
	<u>93</u>	<u>77</u>

GE Lighting Limited

Notes to the Financial Statements

11 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £ 000	2015 £ 000
Remuneration	<u>554</u>	<u>579</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2016 No.	2015 No.
Accruing benefits under defined benefit pension scheme	2	2
Accruing benefits under defined contribution pension schemes	<u>1</u>	<u>2</u>

In respect of the highest paid director:

	2016 £ 000	2015 £ 000
Remuneration	159	159
Defined benefit accrued pension entitlement at the end of the period	<u>36</u>	<u>40</u>

12 Taxation

Tax charged/(credited) in the statement of comprehensive income

	2016 £ 000	2015 £ 000
Current taxation		
UK corporation tax	-	-
Deferred taxation		
Origination and reversal of temporary differences	136	-
Effect of changes to tax rates	20	42
Adjustment in respect of prior year	(343)	-
Movement on deferred tax not provided	<u>187</u>	<u>(42)</u>
Total deferred taxation	<u>-</u>	<u>-</u>
Tax expense/(receipt) in the statement of comprehensive income	<u>-</u>	<u>-</u>

GE Lighting Limited

Notes to the Financial Statements

12 Taxation (continued)

Factors affecting current tax charge for the year

The tax assessed for the year is higher than the standard rate of corporation tax in the UK (2015 - higher than the standard rate of corporation tax in the UK) of 20% (2015 - 20.25%).

The differences are reconciled below:

	2016 £ 000	2015 £ 000
Loss before tax	(6,180)	(984)
Corporation tax at standard rate	(1,236)	(199)
Adjustment to tax charge in respect of prior year	(343)	-
Effect of changes to tax rates	20	-
Non-taxable income	(34)	-
Expenses not deductible for tax purposes	477	22
Movement on deferred tax not provided	187	-
Group relief for £nil consideration	929	177
Total tax charge/(credit)	-	-

Factors that may affect future tax charges

The UK corporation tax rate will reduce from 20% to 19% on 1 April 2017. A further reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce any current tax charges in future periods accordingly.

Deferred tax assets and liabilities on all timing differences have been calculated at 17%, including those expected to reverse in the years ending 31 December 2017 to 31 December 2020 (the overall average rate ranging from 19.25% to 17.5%).

There are no other factors that may significantly affect future tax charges.

Deferred tax

There are £570,000 of deductible temporary differences (2015 - £383,000) for which no deferred tax asset is recognised in the balance sheet.

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Notes to the Financial Statements

13 Intangible assets

	Patents, trademarks and similar rights £ 000
Cost	
At 1 January 2016	<u>337</u>
At 31 December 2016	<u>337</u>
Amortisation	
At 1 January 2016	155
Charge for the year	<u>66</u>
At 31 December 2016	<u>221</u>
Net book value	
At 31 December 2016	<u><u>116</u></u>
At 31 December 2015	<u><u>182</u></u>

Intangible asset amortisation is accounted for in administrative expenses

GE Lighting Limited

Notes to the Financial Statements

14 Fixed asset Investments

	Investments in group undertakings £ 000
Cost	
At 1 January 2016	46,244
At 31 December 2016	46,244
Impairment	
At 1 January 2016	46,244
At 31 December 2016	46,244
Net book value	
At 31 December 2016	-
At 31 December 2015	-

The directors of the company have undertaken a review of the company's investment in group undertakings as at 31 December 2016. There are no indications of impairment and the carrying values of the investments are correct.

Details of the group undertakings as at 31 December 2016 are as follows:

Name of group undertaking	Registered office	Class of shares held	Proportion of ownership interest
GE Lighting Services Limited	Foundry Place, Old Tiffield Road, Towcester, NN12 6PF, United Kingdom	Ordinary	100%
GE Lighting Operations Limited	Foundry Place, Old Tiffield Road, Towcester, NN12 6PF, United Kingdom	Ordinary	100%
Recolight (Ireland) Limited	28 Dale Road, Stillorgan, Dublin, Ireland	Ordinary	25%

GE Lighting Limited

Notes to the Financial Statements

14 Fixed asset Investments (continued)

Name of group undertaking	Registered office	Class of shares held	Proportion of ownership interest
Recolight Limited	Airport House, Purley Way, Croydon, CR0 0XZ, United Kingdom	Ordinary	25%

15 Debtors

	2016 £ 000	2015 £ 000
Trade debtors	179	82
Amounts owed by group undertakings	77,390	84,365
Prepayments and accrued income	14	363
Other debtors	5	23
	<u>77,588</u>	<u>84,833</u>

16 Creditors: Amounts falling due within one year

	2016 £ 000	2015 £ 000
Trade creditors	393	426
Accruals and deferred income	552	561
Amounts owed to group undertakings	367	217
Social security and other taxes	748	190
Other creditors	164	146
	<u>2,224</u>	<u>1,540</u>

17 Provisions for liabilities

	Provision for employee restructuring £ 000	Provision for warehousing £ 000	Provision for remediation £ 000	Total £ 000
At 1 January 2016	123	2,244	29	2,396
Additions	500	496	23	1,019
Amount utilised	(115)	(2,740)	-	(2,855)
At 31 December 2016	<u>508</u>	<u>-</u>	<u>52</u>	<u>560</u>

GE Lighting Limited

Notes to the Financial Statements

17 Provisions for liabilities (continued)

Provision for remediation

This provision is for remediation costs related to a former site of GE Lighting Operations Limited.

Provision for warehousing

This provision was to cover fees for onerous leasing and maintenance costs associated with GE Lighting Operations Limited. In January 2016, the company signed an agreement to cancel the lease in return for a surrender premium of GBP 2,244,000 which released the company from future liabilities. Following the payment of the surrender premium during January 2016, the provision for warehousing was fully utilised in 2016.

Provision for employee restructuring

This provision is for employee redundancy payments after the balance sheet date, following the GE Lighting restructure. The provision is expected to be utilised within 1 year.

18 Share capital

Allotted, called up and fully paid shares

	No. 000	2016 £ 000	No. 000	2015 £ 000
Ordinary of £1 each	<u>40,323</u>	<u>40,323</u>	<u>40,323</u>	<u>40,323</u>

19 Operating lease commitments

The total future value of minimum lease payments is as follows:

	2016 £ 000	2015 £ 000
Within one year	539	67
In two to five years	<u>1,492</u>	<u>1,717</u>
	<u>2,031</u>	<u>1,784</u>

GE Lighting Limited

Notes to the Financial Statements

20 Pension commitments

The company is a member of a larger group pension scheme providing benefits based on final pensionable pay. The group pension scheme, GE Pension Plan, covers a number of United Kingdom subsidiary companies of General Electric Company. Because the company is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, as permitted by IAS 19 'Employee Benefits', the scheme had been accounted for in the financial statements as if the scheme was a defined contribution scheme. The funding surplus/deficit in respect of this scheme is disclosed in the financial statements of GEH Holdings, a company registered in England and Wales.

The last full actuarial valuation was carried out as at 31 March 2015 by a qualified independent actuary. At this date there was a funding deficit of £164 million and a funding level of 96.2%.

The company also 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 amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

The pension charge for the year was £606,000 (2015: £3,542,000), including £nil (2015: £nil) in respect of the defined contribution scheme. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

21 Share-based payments

Certain employees of the company are selected to participate in share options and restricted stock units of General Electric Company under the terms of the General Electric Company Long Term Incentive Plan. Share options expire 10 years from grant date and vest over service periods ranging from one to five years. The option price is usually set as the closing day share price on grant date. Restricted stock units give the participants the right to receive shares in General Electric Company for no consideration. Restricted stock units vest over various service periods beginning three years from grant date through grantee retirement. All grants of GE options under all plans must be approved by the Management Development and Compensation Committee of General Electric Company, which consist entirely of outside directors. For further details on stock options and restricted stock units please refer to the GE annual report available at www.ge.com.

The weighted average share price at the date of exercise of share options exercised during the year was \$31.10 (2015: \$26.85).

The options outstanding at the year end have an exercise price in the range of \$15.68 to \$31.53 and a weighted average contractual life of 6.90 years.

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22 Ultimate parent undertaking and controlling party

The company's immediate parent is IGE USA Holdings, a company registered at 3rd Floor 1 Ashley Road, Altrincham, Cheshire, WA14 2DT.

The smallest and largest group in which the results of the company are consolidated is that headed by its ultimate parent undertaking, General Electric Company, a company registered at 41 Farnsworth Street, Boston, Massachusetts, 02210, USA. The consolidated financial statements of this company are available to the public and may be obtained from the registered address or at www.ge.com.

23 Post balance sheet events

On 1st September 2017, GE Consumer & Industrial OY (incorporated in Finland) and GE Power Controls Sp. Zoo (incorporated in Poland) have transferred their Current business units to GE Lighting Ltd. These business units distribute specialty lighting products through the GE Hungary commissionaire process.

The contractual purchase price of GE Consumer & Industrial OY Current business was €440,000, and the purchase price of the GE Power Controls Sp. Zoo Current business was PLN 700,000.