Cooper Crouse-Hinds (UK) Limited

Registered Number: 03837961

Report and Financial Statements

31 December 2018

Corporate information

Directors
S A Forster
K M Saunders

Bankers
Deutsche Bank AG
1 Great Winchester Street
London EC2N 2DB

Solicitors
Eversheds
1 Wood Street
London EC2V 7WS

Registered Office
Dorset Road
Sheerness
Kent ME12 1LP

Registered No. 03837961

Directors' report

The directors present their report and financial statements for the year ended 31 December 2018.

Principal activities and review of the business

The company was dormant throughout the year.

On 30 September 2017, as part of an Eaton legal entity simplification program in the UK, the company sold the trade and trade related assets and liabilities of the Company to Eaton MEDC Limited, a fellow group company. Subsequent to this reorganisation the company ceased to trade.

Results and dividends

The profit for the year after taxation amounted to £nil (2017 - profit of £1.2m).

The directors do not recommend a final dividend (2017 – £nil).

Future developments

The company is expected to remain dormant.

Principal risks and uncertainties

In view of its limited activities, which are all with other group undertakings, the directors are of the opinion that the company has no material risks and uncertainties.

Employees

The company had no employees during the financial year.

Research and development

The company has not incurred any research and development expenditure. Should the nature of the business change, the Company will disclose the nature of such in accordance with Company Law requirements.

Going concern

No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors.

Directors

S A Forster
K M Saunders

Directors' liabilities

The company has arranged insurance cover to indemnify 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.

Small company exemptions

This report has been prepared in accordance with special provisions available to companies subject to small companies' regime within Part 15 of the Companies Act 2006. In accordance with these provisions, no strategic report has been prepared.

Directors' report (continued)

On behalf of the Board

S.A. Forster.

SA Forster
Director
17 September 2019

Directors' Responsibilities Statement

The directors are responsible for preparing 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period.

In preparing 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 including FRS 102 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 the company will continue in business.

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

Income statement

for the year ended 31 December 2018

	Notes	2018 £000	2017 £000
Turnover	3	-	14,728
Cost of sales		-	(10,234)
Gross Profit		-	4,494
Distribution costs		-	(1,396)
Administrative expenses		-	(1,660)
Operating Profit	4	-	1,438
Interest payable and similar charges	8	-	(1)
Profit on ordinary activities before taxation		-	1,437
Tax on profit on ordinary activities	9	-	(205)
Profit for the financial year		-	1,232

All amounts relate to discontinued operations

Statement of comprehensive income

for the year ended 31 December 2018

	Notes	2018 £000	2017 £000
Profit for the financial year		-	1,232
Total other comprehensive income for the year		-	-
Total Comprehensive income of the year		-	1,232

Statement of changes in equity

for the year ended 31 December 2018

	Share Capital	*Profit and loss account*	*Total equity*
	£000	*£000*	*£000*
At 1 January 2017	-	10,070	10,070
Profit for the year	-	1,232	1,232
Other comprehensive income/(loss)	-	-	-
Total comprehensive income for the year	-	1,232	1,232
Group reorganisation (see note 13)			
Gain on sale of business	-	8,498	8,498
Loss on forgiveness of loan	-	(19,800)	(19,800)
At 31 December 2017	-	-	-
Profit for the year	-	-	-
Other comprehensive income/(loss)	-	-	-
Total comprehensive income for the year	-	-	-
At 31 December 2018	-	-	-

Statement of financial position

at 31 December 2018

	Notes	2018 £000	2017 £000
Current assets			
Debtors: amounts falling due within one year	11	-	-
Net current assets		-	-
Total assets less current liabilities		-	-
Net assets		-	-
Capital and reserves			
Called up share capital	12	-	-
Profit and loss account		-	-
		-	-

For the year ended 31 December 2018 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The report and accounts were approved by the board of directors on the date shown below and were signed on its behalf by:

S.A. Foster.

SA Forster
Director
17 September 2019

Notes to the financial statements

at 31 December 2018

1. Authorisation of financial statements and statement of compliance

Cooper Crouse-Hinds (UK) Limited is a limited liability company incorporated and domiciled in England and Wales. These financial statements were prepared in accordance with Financial Reporting Standard 102 (FRS 102). The financial statements are prepared under the historical cost convention, unless otherwise indicated in the significant accounting policies below, and are presented in Sterling.

2. Accounting policies

2.1 Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2018.

Cooper Crouse-Hinds (UK) Limited has taken advantage of the following disclosure exemptions under FRS 102:

(a) the requirements of section 4 Statement of Financial Position- Paragraph 4.12 (a) (iv)

(b) the requirements of section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d)

(c) the requirements of Basic Financial Instruments paragraphs 11.39 to 11.48A and section 12 Other Financial Instruments Issues paragraphs 12.26 to 12.29

(d) the requirements of Section 26 Share based Payment: paragraph 26.18 (b), 26.19 to 26.21 and 26.23

(e) Requirements of Section 33 Related Party Disclosures, paragraph 33.7

(f) from disclosing the company's key management personnel compensation, as required by FRS 102 paragraph 33.7.

2.2 Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgments have the most significant effect on amounts recognised in the financial statements.

Taxation

Management estimation is required to determine the amount of deferred tax assets that can be recognised based upon likely timing and level of future taxable profits together with assessment of the effect of future tax planning strategies.

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the company performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

Notes to the financial statements (continued)

at 31 December 2018

2.3 Significant accounting policies

(a) 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 discounts, rebates, VAT and other sales taxes or duty. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

(b) Tangible fixed assets

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life, as follows:

Freehold buildings	–	over 30 years
Plant and machinery	–	over 5 to 10 years
Fixtures, fittings, tools and equipment	–	over 5 to 10 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, and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

(c) Impairment of non-financial assets

The company assesses at each reporting date whether an asset may be impaired. If any such indication exists the company estimates recoverable amount of the asset. If it is not possible to estimate the recoverable amount of the individual asset, the company estimates, the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount of the asset is impaired and it is reduced to its recoverable amount through an impairment in profit and loss.

An impairment loss recognised for all assets, is reversed in a subsequent period if and only if the reasons for the impairment loss have ceased to apply.

Notes to the financial statements (continued)

at 31 December 2018

2.3 Significant accounting policies (continued)

(d) Provision for liabilities

A provision is recognised when Cooper Crouse-Hinds (UK) Limited has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for warranty costs are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the company's liability. In addition, if an issue was identified such that the product range needed to be recalled or reworked in some way, the anticipated costs of the total campaign were provided as soon as they could be readily ascertained.

Provisions for onerous trading contracts are recognised when the expected benefits to be derived by the company from the contract are lower than the unavoidable costs of meeting its obligations under the contract. The future cash flows used in the onerous trading contract provision were discounted using an appropriate pre-tax rate (or rates) that reflect current market assessments of the time value of money and risks specific to the liability. The risks specific to the liability are reflected either in the discount rate or in the estimation of the amounts required to settle the obligation, but not both.

(e) Stock and work in progress

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: 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 first-in, first-out basis 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.

(f) Leasing and hire purchase

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

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(g) Financial Instruments

Cash at bank and in hand

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in operating expenses.

Notes to the financial statements (continued)

at 31 December 2018

2.3 Significant accounting policies (continued)

(h) Deferred tax

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. 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.

(i) Pensions commitments

Defined benefit scheme

The company is a member of the Cooper Consolidated Pension Plan, which is a multi-employer defined benefit scheme where the assets cannot be apportioned to individual companies. Accordingly, these financial statements account for the pension costs of the scheme as defined contribution schemes and charges are made as incurred.

Defined contribution scheme

Contributions to defined contribution schemes are recognised in the income statement in the period in which they become payable.

(j) Going concern

The directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

(k) Foreign currency

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

(l) Research and development

Research and development expenditure is written off as incurred.

3. Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties and to fellow group undertakings.

Turnover is attributable to discontinued activities in the UK.

The directors consider that the disclosure of turnover, net assets and profits by classes of business and by geographical market would be seriously prejudicial to the interests of the company.

Notes to the financial statements (continued)

at 31 December 2018

4. Operating Profit

This is stated after (crediting)/charging:

			2018	*2017*
			£000	*£000*
Depreciation of owned assets			-	166
Foreign exchange differences			-	(18)
Operating lease rentals	–	land and buildings	-	25
	–	others	-	67
Research and development expenditure			-	46
Auditors' remuneration (see note 5)			-	26

5. Auditor's remuneration

The Company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company.

	2018	*2017*
	£000	*£000*
Audit of the financial statements	-	26
Taxation Services	-	-
	-	26

6. Staff costs

(a) Staff costs, including directors' remuneration, were as follows

	2018	*2017*
	£000	*£000*
Wages and salaries	-	2,410
Social security costs	-	268
Other pension costs	-	159
	-	2,837

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

	2018	*2017*
	No.	*No.*
Manufacturing	-	81
Distribution	-	22
Administration	-	9
	-	112

Notes to the financial statements (continued)

at 31 December 2018

7. Directors remuneration

	2018	*2017*
	£000	*£000*
Remuneration	-	69
Company Contributions to money purchase schemes	-	16
Directors who were members of group defined benefit schemes	-	-

8. Interest payable and similar charges

	2018	*2017*
	£000	*£000*
On loans and balances due from fellow group undertakings	-	(1)
	-	(1)

9. Taxation

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2018	*2017*
Current tax:		
UK corporation tax	-	265
Adjustments in respect of prior years	-	-
Total current tax	-	265
Deferred tax:		
Origination and reversal of temporary differences	-	-
Adjustment in respect of prior year	-	(70)
Effect of change in the tax rate on opening liability	-	10
Total change in the deferred tax	-	(60)
Tax on profit on ordinary activities	-	205

Notes to the financial statements (continued)

at 31 December 2018

9. Taxation (continued)

(b) Factors affecting the total tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19.0% (2017 – 19.25%). The differences are reconciled below:

	2018	*2017*
	£000	*£000*
Profit on ordinary activities before tax	-	1,437
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2017 - 19.25%)	-	277
Expenses not deductible for tax purposes	-	2
Other timing differences	-	(4)
Deferred tax prior year adjustment	-	(70)
Total tax charge	-	205

(c) Factors that may affect future tax charges

The rate of corporation tax effective from 1 April 2020 has been reduced to 17% by an amendment included in Finance Act 2016 which was enacted on 15 September 2016.

(d) Deferred tax

There were no deferred tax balances (2017: £nil)

10. Stocks

	2018	*2017*
	£000	*£000*
	-	-

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Stocks recognised as an expense in the period were £nil (2017 – £10,234,000).

11. Debtors

	2018	*2017*
	£000	*£000*
Other receivables	-	-
	-	-

Notes to the financial statements (continued)

at 31 December 2018

12. Allotted and Issued share capital

	2018 £000	2017 £000
Allotted and fully paid		
2 (2017 – 2) ordinary shares of £1 each	-	-
	-	-

13. Group Reorganisation

On 30 September 2017, as part of an Eaton legal entity simplification program in the UK, the company sold the trade and trade related assets and liabilities of the Company for £19,800,000 to Eaton MEDC Limited, a fellow group company. The amount of consideration at the time of the transfer exceeded the net assets transferred by £8,498,750. As the directors have adopted a policy of merger accounting, the excess paid for the assets and liabilities of the company is recorded as a movement in reserves. Subsequent to the transaction the intercompany loan due from Eaton MEDC Limited of £19,800,000 was forgiven. This was also accounted for as a movement on reserves.

14. Related party disclosures

During the year the Company entered into transactions, in the ordinary course of business, with other related parties.

The company has taken advantage of the exemption in Section 33.1A, whereby disclosures need not be given of 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.

15. Pensions and other post-retirement health care benefits

The company participated 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 FRS 102 para 28.11. 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 2016. The valuation was made using the projected unit method.

The scheme was closed to new entrants on 31 August 1999. With effect from May 2008, the scheme was closed to future accrual and therefore there are no active members of the scheme. Contributions are being made to the scheme under a deficit reduction plan agreed between the sponsoring employers and the scheme trustee. During the year the amount of contributions made under this plan was £nil (2017 £480,000).

The company ceased to be a sponsoring employer of the Scheme with effect from 30 September 2017 when its liabilities were transferred to Eaton Electrical Systems Limited under a flexible apportionment arrangement.

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 schemes and amounted to £nil in the year ended 31 December 2018 (2017 – £159,000).

Notes to the financial statements (continued)

at 31 December 2018

16. Capital commitments

Amounts authorised and contracted for but not provided in the financial statements amounted to £nil for the company (2017 – £nil).

17. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Eaton MEDC Limited, a company registered in England and Wales.

The company's ultimate parent undertaking and controlling party is Eaton Corporation plc which is incorporated in Ireland. The only group of which the company is a member and for which group financial statements are prepared is that headed by Eaton Corporation plc. Copies of the 2018 Annual Report of Eaton Corporation plc can be obtained from the following address:

Eaton Center
1000 Eaton Boulevard
Cleveland
Ohio 44122
USA

18. Events after the reporting period

The directors are not aware of any events after the reporting period.