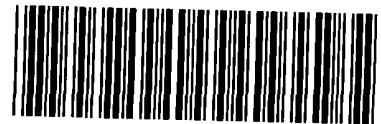


Registered Number: 01388141

Britannia Security Group Limited  
Annual report and financial statements  
for the year ended 30 September 2017

SATURDAY



A21 \*A7968IAZ\* #150  
30/06/2018  
COMPANIES HOUSE

# **Britannia Security Group Limited**

## **Annual report and financial statements for the year ended 30 September 2017**

<b>Contents</b>	<b>Page</b>
Strategic report	1
Directors' report	2
Independent auditors' report to the members of Britannia Security Group Limited	4
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10

# Britannia Security Group Limited

## Strategic report for the year ended 30 September 2017

The directors present their strategic report on the company for the year ended 30 September 2017.

### Results

The results for the year are given in the statement of comprehensive income on page 7 which shows a profit of £1,601,000 for the year (2016: £nil).

### Review of business and future developments

The principal activity of the company is that of an investment holding company. The company engages in investment activities which are, by their nature, non-recurring events. The company will continue to monitor each investment it holds together with any potential opportunities as they arise.

### Key performance indicators (KPI's)

The company had few transactions during the year and the directors do not envisage this will change in the foreseeable future. For this reason the company's directors believe that further key performance indicators of the company are not necessary for an understanding of the performance and position of the business.

### Principal risks and uncertainties

The risks of the company are the potential inability to repay its loans to group companies and to realise the value of its investments. However, the company has considerable surplus net assets which include intercompany debtors which the directors consider to be recoverable.

On behalf of the Board



P Schieser  
**Director**

Date: 28 June 2018

# Britannia Security Group Limited

## Directors' report for the year ended 30 September 2017

The directors present their report and the audited financial statements of the company for the year ended 30 September 2017.

### Future developments

The future developments of the company are noted in the strategic report.

### Dividends

The directors do not recommend the payment of a dividend (2016: £nil).

### Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future as it has committed support from a fellow subsidiary of Johnson Controls International plc, ADT Fire and Security Plc. Thus they continue to adopt the going concern basis in preparing the financial statements, further details of which can be found in the statement of accounting policies in the financial statements (note 3).

### Financial risk management

#### *Credit risk*

The Company is not exposed to any credit risk other than in respect of inter-company balances within the Johnson Controls International plc group. The Company does not have an external customer base. The company uses financial institutions authorised by Johnson Controls International plc who actively manage the global banking facilities. All cash held on deposit is pooled at a European level to mitigate risk.

#### *Price risk*

The directors do not consider that the company's operations expose it to any price risk.

#### *Liquidity and interest rate risk*

Cash balances held with external institutions form part of the Johnson Controls International plc group global cash pool arrangement which minimises any interest rate exposure. If funding is required then this is achieved by either an internal loan from a Johnson Controls International plc group company or through cash pooling arrangements. As a result there is no interest rate risk as there is no external funding requirement.

### Directors

The following served as directors during the year and up to the date of this report, unless otherwise stated:

M Ayre	appointed 31 August 2017
P Schieser	
AB Alphonus	resigned 10 March 2017
A Bowie	resigned 31 August 2017

### Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity policy, held by the group, was in force throughout the last financial year and is currently in force. The group also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

# Britannia Security Group Limited

## Directors' report for the year ended 30 September 2017 (cont'd)

### Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual report and 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The directors 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.

### Disclosure of information to auditors

Each of the persons who are directors at the date of approval of this report confirms that:

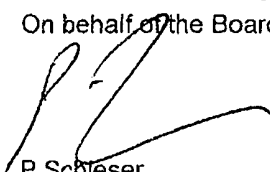
- so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

### Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the next Directors' Board Meeting.

On behalf of the Board



P Schieser

Director

Date: 28 June 2018

# Britannia Security Group Limited

## Independent auditors' report to the members of Britannia Security Group Limited

### Report on the audit of the financial statements

#### Opinion

In our opinion, Britannia Security Group Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the statement of financial position as at 30 September 2017; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

# **Britannia Security Group Limited**

## **Independent auditors' report to the members of Britannia Security Group Limited (cont'd)**

### **Report on the audit of the financial statements (cont'd)**

#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

#### *Strategic report and Directors' report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 30 September 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements. In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

### **Responsibilities for the financial statements and the audit**

#### *Responsibilities of the directors for the financial statements*

As explained more fully in the statement of directors' responsibilities in respect of the financial statements set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# Britannia Security Group Limited

## Independent auditors' report to the members of Britannia Security Group Limited (cont'd)

### Report on the audit of the financial statements (cont'd)

#### *Auditors' responsibilities for the audit of the financial statements (cont'd)*

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### Other required reporting

#### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Michael Coffin (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Southampton  
Date 29 June 2018

# **Britannia Security Group Limited**

## **Statement of comprehensive income for the year ended 30 September 2017**

	Note	Year ended 30 September 2017 £'000	53 weeks ended 30 September 2016 £'000
<b>Operating result</b>	5	-	-
<b>Result before taxation</b>		-	-
Tax on result	7	1,601	-
<b>Profit and for the financial year/period</b>		1,601	-
<b>Total comprehensive income for the year/period</b>		1,601	-

All results derive from continuing operations.


# Britannia Security Group Limited

## Statement of financial position as at 30 September 2017

	Note	2017 £'000	2016 £'000
<b>Fixed assets</b>			
Investments	8	58,332	58,332
<b>Current assets</b>			
Cash at bank and in hand		81	-
Debtors	9	15,345	8,465
		15,426	8,465
<b>Creditors – amounts falling due within one year</b>	10	(31,692)	(26,332)
<b>Net current liabilities</b>		(16,266)	(17,867)
<b>Total assets less current liabilities</b>		42,066	40,465
<b>Capital and reserves</b>			
Called up share capital	11	-	-
Merger reserve		31,105	31,105
Accumulated income		10,961	9,360
<b>Total equity</b>		42,066	40,465

The notes on pages 10 to 15 form an integral part of these financial statements.

The financial statements on pages 7 to 15 were approved by the Board of directors on 28 June 2018 and were signed on its behalf by:



P Schieser

**Director**

Britannia Security Group Limited  
Registered number: 01388141

# Britannia Security Group Limited

## Statement of changes in equity for the year ended 30 September 2017

	Called up share capital £'000	Merger reserve £'000	Accumulated income £'000	Total equity £'000
Balance as at 26 September 2015	-	31,105	9,360	40,465
Result for the financial period and total comprehensive income	-	-	-	-
Balance as at 30 September 2016	-	31,105	9,360	40,465
Profit for the financial year and total comprehensive income	-	-	1,601	1,601
<b>Balance as at 30 September 2017</b>	<b>-</b>	<b>31,105</b>	<b>10,961</b>	<b>42,066</b>

Accumulated income represents accumulated comprehensive income for the financial year and prior periods.

# Britannia Security Group Limited

## Notes to the financial statements for the year ended 30 September 2017

### 1 General information

Britannia Security Group Limited ("the company") is a private company limited by shares, domiciled and incorporated in England. The address of the company's registered office is Security House, The Summit, Hanworth Road, Sunbury on Thames, Middlesex, TW16 5DB, UK.

The principal activity of the company is that of an investment holding company.

### 2 Statement of compliance

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and in accordance with the Companies Act 2006.

### 3 Summary of significant accounting policies

The principal accounting policies, which have been 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. The company has applied FRS 102 in these financial statements.

#### Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant in these financial statements are disclosed in note 4.

#### Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements on the basis that the information is provided in the consolidated financial statements of Johnson Controls International plc, which is registered in Cork Ireland. Johnson Controls International plc prepares consolidated financial statements which are publicly available and can be obtained from the address given in note 12.

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in the statement of comprehensive income.

#### Going concern

The financial statements have been prepared on the going concern basis, notwithstanding net liabilities of £16,266,000 which the directors believe to be appropriate for the following reason. ADT Fire and Security Plc has provided the company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company to settle obligations as they fall due.

# Britannia Security Group Limited

## Notes to the financial statements for the year ended 30 September 2017 (cont'd)

### 3 Summary of significant accounting policies (cont'd)

#### **Functional and presentational currency**

The company's functional and presentational currency is the pound sterling.

#### **Foreign currencies**

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

#### **Taxation**

The tax charge represents the sum of the current tax charge and deferred tax charge.

#### *Current tax*

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years.

#### *Deferred tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date, unless it is not considered probable that deferred tax assets will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

#### **Cash and cash equivalents**

Cash and cash equivalents includes cash in hand. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

#### **Fixed asset investments**

Fixed assets investments are stated at cost plus incidental expenses less provisions for impairment in value. The company reviews the carrying value of investments when there has been an indication of potential impairment. If it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the statement of comprehensive income.

# Britannia Security Group Limited

## Notes to the financial statements for the year ended 30 September 2017 (cont'd)

### 3 Summary of significant accounting policies (cont'd)

#### Financial instruments

##### *Financial assets*

Basic financial assets, including debtors, loans to fellow undertakings and cash and bank balances are initially measured at the transaction price. Where the arrangement with another debtor constitutes a financing transaction, the debtor is initially measured at the present value of future receipts discounted at a market rate of interest for a similar debt instrument.

Such assets are subsequently carried at amortised cost using the effective interest rate method and are assessed annually for evidence of impairment. Any impairment loss or reversal of an impairment loss is recognised in the statement of comprehensive income.

##### *Financial liabilities*

Basic financial liabilities, including creditors, bank overdrafts, loans from fellow group undertakings, are initially recognised at transaction price. Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument. Other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Such debt instruments are subsequently carried at amortised cost using the effective interest rate method.

##### *Offsetting*

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument, and are offset only when the company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

### 4 Critical accounting judgements and estimation uncertainty

#### Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying value of assets and liabilities with the next financial year are addressed below.

#### Impairment review of fixed asset investments

As per the accounting policy fixed asset investments are reviewed for indicators of impairment. The value-in-use (VIU) of relevant groups of income generating units (IGUs) for impairment testing purposes is determined using calculations of cash flow projections from the financial plans approved by the Board. These calculations involve the use of estimates including projected future cashflows and other future events.

### 5 Result before taxation

Audit fees of £2,000 (2016: £2,500) were borne by a fellow group company.

# Britannia Security Group Limited

## Notes to the financial statements for the year ended 30 September 2017 (cont'd)

### 6 Directors and employees

The directors received no remuneration (2016: nil) in respect of their services to the company during the year as their services as directors of the company were incidental to the other services within the Johnson Controls International plc group of companies. Directors' remuneration costs are borne by other members of the Johnson Controls International plc group of companies. The average monthly number of employees, excluding directors is nil (2016: nil).

### 7 Tax on result

	Year ended 30 September 2017 £'000	53 weeks ended 30 September 2016 £'000
<b>Current tax</b>		
UK Corporation tax at 19.5% (2016: 20%)	-	-
Adjustment to tax charge in respect of prior periods	1,601	-
<b>Total current tax credit</b>	<b>1,601</b>	-
<b>Total tax on result</b>	<b>1,601</b>	-

#### Reconciliation of tax credit

The tax assessed for the year is lower (2016: higher) than the standard rate of corporation tax in the United Kingdom of 19.5% for the year ended 30 September 2017 (2016: 20%). The differences are explained below:

	Year ended 30 September 2017 £'000	53 weeks ended 30 September 2016 £'000
<b>Result before taxation</b>	-	-
Result multiplied by standard rate of corporation tax of 19.5% (2016: 20%)	-	-
Adjustment to tax charge in respect of prior periods	1,601	-
<b>Total tax credit for the year/period</b>	<b>1,601</b>	-

Finance (No.2) Act 2015 was substantively enacted on 26 October 2015. It reduced the standard rate of corporation tax in the UK from 20% to 19% from 1 April 2017 and to 18% with effect from 1 April 2020. Finance Act 2016 was substantively enacted on 6 September 2016 and further reduced the rate to 17% from 1 April 2020.

# Britannia Security Group Limited

## Notes to the financial statements for the year ended 30 September 2017 (cont'd)

### 8 Fixed asset investments

	Total £'000	
<b>Cost</b>		
At 1 October 2016 and 30 September 2017	196,479	
<b>Provision for impairment</b>		
At 1 October 2016 and 30 September 2017	(138,147)	
<b>Net book amount</b>		
At 1 October 2016 and 30 September 2017	58,332	
<b>Analysed as:</b>	<b>2017 £'000</b>	<b>2016 £'000</b>
ADT Fire & Security plc	58,332	58,332

Company	Class of shares	Proportion of nominal value of shares issued held by:		Registered office
		The company	Other group companies	
ADT Fire & Security Plc	Ordinary	17.76%	82.23%	Security House, The Summit, Hansworth Road, Sunbury on Thames

### 9 Debtors

	<b>2017 £'000</b>	<b>2016 £'000</b>
Amounts owed by group undertakings	15,345	8,465

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

### 10 Creditors – amounts falling due within one year

	<b>2017 £'000</b>	<b>2016 £'000</b>
Amounts owed to group undertakings	31,692	26,332

All amounts owed to group undertakings are unsecured, interest free and are repayable on demand.

# Britannia Security Group Limited

## Notes to the financial statements for the year ended 30 September 2017 (cont'd)

### 11 Called up share capital

	2017 £'000	2016 £'000
<b>Authorised, allotted and fully paid</b>		
10 (2016: 10) ordinary shares of 10p each	-	-

The merger reserve of £31,105,000 is a result of business acquisitions made in prior years.

### 12 Ultimate parent undertaking and controlling party

The immediate parent undertaking and controlling party is ADT Group Limited (formerly ADT Group PLC).

The ultimate parent undertaking and controlling party is Johnson Controls International plc, a company incorporated in Cork, Ireland.

Johnson Controls International plc is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 30 September 2017. The consolidated financial statements of Johnson Controls International plc are available from:

Johnson Controls International plc  
1 Albert Quay  
Cork  
Ireland