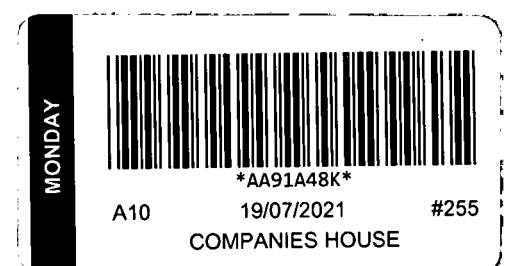


Registered Number 02179805

ShopperTrak Limited
Annual report and financial statements
for the year ended 30 September 2020



ShopperTrak Limited

Annual report and financial statements for the year ended 30 September 2020

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ShopperTrak Limited

Strategic report

The directors present their strategic report on the company for the year ended 30 September 2020.

Results of business and future developments

The results for the financial year and the financial position of the company are shown in the accompanying financial statements. Turnover decreased by 31.8% from £13,084,000 to £8,918,000 year-on-year; this was mainly driven by Covid-19 related disruption. As many customers have closed their shops in this period, a drop in recurring revenues has been experienced. The profit before taxation for the financial year was £716,000 (2019: £6,928,000 profit), a significant decrease. This was primarily due to the profit generated in the prior year following the sale of customer contracts in 2019. This also increased the company's balance sheet, with net assets at 30 September 2020 of £2,470,000 (2019: net assets of £1,761,000). The company is a leading provider of pedestrian counting systems and supplies management information and analysis to clients based on the data recorded by those systems. The directors do not anticipate any significant changes to the company's operations or main markets in the foreseeable future.

Key performance indicators

The company's key performance indicators during the year were:

	2020 £'000	2019 £'000
Turnover	8,918	13,084
Gross profit percentage	60.5%	66.8%
Profit before taxation	716	6,928
Total equity	2,470	1,761


Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to data security, information systems and government regulation. The company requires risk management and operational policies and procedures to be implemented in all areas of the business. Furthermore, there is a robust supervision structure which allows management to account for the delivery of the company's contracts and to oversee relationships with its key stakeholders.

In relation to the evolving coronavirus situation, we identified any ongoing potential risks, assessed inventory, defined and implemented risk mitigation plans, and determined a safe and sustainable return to normal operations. Currently, we are managing any minor disruptions from the recent outbreak. Some employees have moved to reduced pay for reduced hours and some who cannot work have been placed on furlough. In addition, management have taken actions to eliminate discretionary spending. This measure has helped to support the financial health of the company. Our top priority remains ensuring that our people and our extended supplier partners are safe, and we will continually assess the situation and monitor for any potential disruptions. Whilst we continue to monitor the situation carefully, and responsibly we do not believe that this matter will significantly impact our ability to continue trading for the foreseeable future.

As part of this year's risk assessment we have considered the impact of the United Kingdom leaving the EU. An internal working group has been established to consider the potential impact on the availability of markets and market access rights; the impact on strategy and operations; increases in import and labour costs; the retention of skilled labour and recruitment concerns.

On behalf of the Board



M Ayre
Director

Date: 9 July 2021

ShopperTrak Limited

Directors' report

The directors present their report and the audited financial statements of the company for the year ended 30 September 2020.

Future developments

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

Dividends

Dividends totalling £nil (2019: £nil) have been paid during the year.

Going concern

The directors have received confirmation that the appropriate entity within the Johnson Controls group intends to support the company for at least one year after the financial statements are signed. The directors are therefore of the opinion that preparing the financial statements on the going concern basis is appropriate.

Financial risk management

Credit risk

The company's policy is that the credit-worthiness of any prospective client, contractor, subcontractor, vendor, joint venture partner or any entity engaging in an economic transaction with the company must be evaluated to ascertain whether it has the financial capacity to enter into and perform its obligations under such transactions. This process is undertaken to ensure from a financial standpoint that any third party has the financial stability and strength necessary to fulfil its commitments to the company. The extent of the credit evaluation must be commensurate with the level of risk associated with the inability of the counterparty to perform under the contract.

The company's policy is to use 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.

Exchange rate risk

Potential exposure to currency exchange rate fluctuations is managed internally within the group treasury function. The group enter into forward exchange contracts on behalf of the company to the value of its future multicurrency cashflows. Consequently exchange rate risk is not significant.

Price risk

The directors recognise the price risk associated with the business is subject to market forces and will impact the prices for product and project management services. To help minimise this risk, the price for large contracts are set on a contract by contract basis. The price on multi-year contracts are reviewed on an annual basis where possible.

Liquidity and interest rate risk

Cash balances held with external institutions form part of the Johnson Controls International plc, group global cash pool arrangement. 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 the interest rate risk is mitigated as there is no external funding requirement.

All group risk is closely managed by the corporate risk management team, which is controlled by the ultimate parent company Johnson Controls International plc.

ShopperTrak Limited

Directors' report (cont'd)

Environmental, health and safety matters

Johnson Controls International plc is a global market leader and therefore has adopted a uniform global approach to managing Environmental, Health and Safety matters by following the principles and guidance contained in both international standards ISO 14001 and OHSAS 18001. All parts of the corporation are expected to demonstrate through their EHS management system that the principles and objectives set out in these two key standards have been met.

The organisation has clear management and functional lines with detailed responsibilities at all levels, which ensure hazards, and risks are properly identified and controlled through effective management processes and performance related objectives and targets.

Employment policies

It is the policy of the company that there should be no unfair discrimination in considering applications for employment, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The company gives full and fair consideration to applications for employment for disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the group. If members of staff become disabled the company continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

The company systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the company is encouraged, achieving a common awareness on the part of all employees of the financial and economic factors affecting the group. The company encourages the involvement of employees by means of an employee share purchase scheme, regular employee briefings, annual global employee survey and regular awareness days on different topics for company specific matters.

Directors

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

M Ayre
N Pompa

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 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.

ShopperTrak Limited

Directors' report (cont'd)

Statement of directors' responsibilities in respect of the financial statements

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

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 period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, 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 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.

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.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have 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.

Independent auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the next directors' board meeting.

On behalf of the Board



M Ayre
Director

Date: 9 July 2021



Independent auditors' report to the members of ShopperTrak Limited

Report on the audit of the financial statements

Opinion

In our opinion, ShopperTrak Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2020 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 2020; the statement of comprehensive income, 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

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.

We have nothing to report in respect of the above matters.

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.



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 2020 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 4, 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.

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. 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.

A handwritten signature in black ink that reads 'Martin Freyne'.

Martin Freyne (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Auditors
Cork
9 July 2021

ShopperTrak Limited

Statement of comprehensive income for the year ended 30 September 2020

	Note	Total 2020 £'000	Continuing operations 2019 £'000	Discontinued operations 2019 £'000	Total 2019 £'000
Turnover	5	8,918	12,228	856	13,084
Cost of sales		(3,521)	(4,342)	-	(4,342)
Gross profit		5,397	7,886	856	8,742
Administrative expenses		(4,589)	(8,914)	-	(8,914)
Other operating income	6	99	-	-	-
Operating profit/(loss)	7	907	(1,028)	856	(172)
Profit on disposal of operations		-	-	6,924	6,924
Interest receivable and similar income	9	-	184	-	184
Interest payable and similar expense	10	(191)	(8)	-	(8)
Profit before taxation		716	(852)	7,780	6,928
Tax on profit	11	(7)	(46)	-	(46)
Profit for the financial year		709	(898)	7,780	6,882
Total comprehensive income for the year		709	(898)	7,780	6,882

ShopperTrak Limited

Statement of financial position as at 30 September 2020

	Note	2020 £'000	2019 £'000
Fixed assets			
Intangible assets	12	57	174
Tangible assets	13	304	511
Investments	14	1,050	1,050
		1,411	1,735
Current assets			
Inventories	15	654	378
Debtors	16	24,375	20,797
Cash at bank and in hand		12	4
		25,041	21,179
Creditors – amounts falling due within one year	18	(23,982)	(21,153)
Net current assets		1,059	26
Total assets less current liabilities		2,470	1,761
Net assets		2,470	1,761
Capital and reserves			
Called up share capital	20	112	112
Merger reserve	20	(8,595)	(8,595)
Share based payment reserve	20	-	-
Retained earnings	20	10,953	10,244
Total equity		2,470	1,761

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

These financial statements on pages 8 to 24 were approved by the Board of directors on 9 July 2021 and were signed on its behalf by:



M Ayre
Director
ShopperTrak Limited
Registered Number 02179805

ShopperTrak Limited

Statement of changes in equity for the year ended 30 September 2020

	Called up share capital £'000	Merger reserve £'000	Share based payment reserve £'000	Retained earnings £'000	Total equity £'000
Balance as at 1 October 2018	112	(8,595)	-	3,362	(5,121)
Profit for the year and total comprehensive income	-	-	-	6,882	6,882
Balance as at 30 September 2019	112	(8,595)	-	10,244	1,761
Profit for the year and total comprehensive expense	-	-	-	709	709
Recognition of employee share based payments	-	-	386	-	386
Recognition of employee share based recharge	-	-	(386)	-	(386)
Balance as at 30 September 2020	112	(8,595)	-	10,953	2,470

Retained earnings represent accumulated comprehensive income for the current and prior years.

ShopperTrak Limited

Notes to the financial statements for the year ended 30 September 2020

1 General information

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

The company provides pedestrian counting systems and supplies management information and analysis to clients based on the data recorded by those systems.

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.

Basis of preparation and going concern

These financial statements are prepared on the going concern basis, under the historical cost convention. The directors have taken a number of steps to protect and support the business. The company has significant net receivables due from group companies, which the directors expect to be able to liquidate as necessary to support the business in addition to cash generated from operations. In addition, the directors have received confirmation that the appropriate entity within the Johnson Controls group intends to support the company for at least one year after the financial statements are signed. 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 22.

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;

Section 33 'Related Party Disclosures'

Paragraphs 33.7 and 33.1A, Disclosure of compensation for key management personnel and related party transactions.

ShopperTrak Limited

Notes to the financial statements for the year ended 30 September 2020 (cont'd)

3 Summary of significant accounting policies (cont'd)

Group financial statements

The company is exempt from the requirement to prepare and deliver consolidated financial statements under the provisions of Section 400 of the Companies Act 2006 as it is a wholly owned subsidiary undertaking of Johnson Controls International plc, which is registered in Cork, Ireland and which itself prepares consolidated financial statements. These are publicly available and can be obtained from the address given in note 22. Accordingly consolidated financial statements have not been prepared and the financial information presented for the current year is for the company as an individual undertaking.

Revenue recognition

Turnover represents the amount receivable for goods supplied or services rendered, net of discounts and value added taxes. Turnover comprises the provision of pedestrian counting systems and the supply of management information and analysis from those systems (excluding VAT) performed in the normal course of business. An appropriate estimate of profit attributable to work completed is recognized once the outcome of a client contract can be assessed with reasonable certainty. Amounts received in advance of the delivery of products or performances of services are classified as deferred income.

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 the income statement, 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.

ShopperTrak Limited

Notes to the financial statements for the year ended 30 September 2020 (cont'd)

3 Summary of significant accounting policies (cont'd)

Intangible assets

Computer software

Costs that are directly associated with the production of identifiable and unique software products that will generate economic benefits beyond one year are recognised as intangible assets. These internally generated software costs are amortised on a straight-line basis over a period of five years. Purchased software is amortised on a straight-line basis over a period of five years.

Other costs associated with developing or maintaining computer software programs are recognised as an expense as incurred.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, which is the original purchase price plus incidental expenses, less accumulated depreciation. Depreciation is calculated to write off the cost, less estimated residual value of each asset evenly over its expected useful economic life, as follows:

Fixtures, fittings, tools and equipment	3-5 years
Plant and machinery	3-5 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Where operating leases are granted by the company, the assets under lease are capitalized at the commencement of the agreement and depreciated on a straight-line basis over the lease term.

Investments

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 annually. If it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the Statement of comprehensive income.

The calculations for determining the carrying value of investments involves the use of estimates including projected future cash flows and other future events as well as review of net assets.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated as a weighted average cost. Net realisable value is the price at which stock can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for slow moving, obsolete or defective stock.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown in creditors due within one year.

Financial instruments

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, investments are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

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.

**Notes to the financial statements for the year ended 30 September 2020
(cont'd)**

3 Summary of significant accounting policies (cont'd)

Financial instruments (cont'd)

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Such debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classed as current liabilities if payment is due within one year or less.

Employee benefits

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Annual bonus plan

The company operates an annual bonus plan for employees. An expense is recognised in the income statement in the financial year for which the bonus is payable, when a reliable estimate of the obligation can be made.

Defined contribution pension plan

The company operates defined contribution pension scheme for the benefit of its employees, the assets of which are held separately from those of the company in independently administered funds. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the statement of financial position.

Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions are aggregated unless, in the opinion of the directors separate disclosure is necessary to understand the effect of the transactions on the group financial statements.

Share based payment reserve

The company operates a number of equity-settled, share-based compensation plans, under which the company receives services from employees as consideration for equity instruments (options) of Johnson Controls Inc. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. A credit is recognised directly in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- Including any market performance conditions (for example, an entity's share price);
- Excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets, and remaining an employee of the entity over a specified time period); and
- Including the impact of any non-vesting conditions (for example, the requirement for employees to save). Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. In addition, in some circumstances, employees might provide services in

Notes to the financial statements for the year ended 30 September 2020 (cont'd)

3 Summary of significant accounting policies (cont'd)

Share based payment reserve (cont'd)

advance of the grant date, and so the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement and grant date. At the end of each reporting period, the company revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the profit and loss account, with a corresponding adjustment to equity.

When the company receives a recharge in respect of share options granted to the subsidiary's employees, the company treats the recharge as an offset against the share-based payment reserve.

Corresponding amounts

Certain corresponding amounts have been adjusted so they are directly comparable with the amounts shown in respect of the current financial year.

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the preparation of these financial statements the company has made the following critical accounting estimates and assumptions.

(i) Inventory provisioning

Due to the changing technology of the company's markets a prudent view of inventory obsolescence is taken. This view is influenced by the nature and condition of the inventory as well as the future usage probability.

See note 15 for the net carrying amount of the inventory; the inventory provision totalled £42,284 in the current year (2019: £103,528).

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing this impairment of trade debtors the company takes into account the ageing profile of debtors, any changes to credit ratings of customers and historical experience.

See note 16 for the net carrying amount of debtors; the trade debtor provision totalled £811,084 in the current year (2019: £1,720,154).

(iii) Impairment of investments

Investments are reviewed for impairment in line with the accounting policy when factors indicate that the carrying value may not be recoverable.

See note 14 for the net carrying amount of investments; there is a total provision of £121,207 (2019: £121,207).

ShopperTrak Limited

Notes to the financial statements for the year ended 30 September 2020 (cont'd)

5 Turnover

	2020 £'000	2019 £'000
Turnover by destination		
United Kingdom	5,210	7,147
Europe	2,727	3,694
Middle East	617	856
Rest of world	364	1,387
	8,918	13,084

All turnover relates to the provision of pedestrian counting systems and the supply of management information and analysis from these systems.

	2020 £'000	2019 £'000
Turnover by category		
Sale of goods	7,142	9,483
Rendering of services	1,776	3,601
	8,918	13,084

6 Other operating income

	2020 £'000	2019 £'000
Coronavirus job retention scheme income	99	-
	99	-

ShopperTrak Limited

Notes to the financial statements for the year ended 30 September 2020 (cont'd)

7 Operating profit/(loss)

	2020 £'000	2019 £'000
Operating profit/(loss) is stated after charging/(crediting)		
Staff costs		
- wages and salaries	3,037	3,058
- social security costs	345	375
- other pension costs	215	249
Total staff costs	3,597	3,682
Amortisation of intangible assets (note 12)	117	281
Depreciation of tangible assets (note 13)	207	272
Inventory recognised as an expense	1,300	3,607
Impairment of trade receivables	(783)	676
Operating lease charges	299	282
Share based recharge	(386)	-
Auditors' remuneration		
- for audit services	35	77
Foreign exchange losses/(gains)	473	(135)

8 Directors and employees

Directors' emoluments	2020 £'000	2019 £'000
Aggregate emoluments	235	414

Highest paid director	2020 £'000	2019 £'000
Aggregate emoluments	235	414

One (2019: one) director is remunerated by a fellow subsidiary undertaking in respect of services provided to a number of group companies as director. That director is not able to apportion the emoluments attributable to services provided to each company.

Staff numbers

The average monthly number of employees, including directors, during the year, analysed by category, was as follows:

	2020 Number	2019 Number
Selling and distribution	15	21
Administration and management	41	32
	56	53

Notes to the financial statements for the year ended 30 September 2020
(cont'd)

9 Interest receivable and similar income

	2020 £'000	2019 £'000
Bank interest receivable	-	184
	-	184

10 Interest payable and similar expense

	2020 £'000	2019 £'000
Bank interest payable	-	8
Interest payable to group undertakings	191	-
	191	8

11 Tax on profit

	2020 £'000	2019 £'000
Current tax		
Corporation tax charge	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	49	52
Prior year adjustment	-	-
Change in tax rate	(42)	(6)
Total deferred tax	7	46
Total tax on profit	7	46

Reconciliation of tax charge

The tax assessed for the year is lower than (2019: lower) the standard rate of corporation tax in the United Kingdom of 19% (2019: 19%). The differences are explained below:

	2020 £'000	2019 £'000
Profit before taxation	716	6,928
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	136	1,316
Effects of:		
Group relief received for nil consideration	(87)	(1,264)
Change in tax rate	(42)	(6)
Total charge/(credit) for the year	7	46

**Notes to the financial statements for the year ended 30 September 2020
(cont'd)**

11. Tax on profit (cont'd)

The rate of UK corporation tax is currently 19%. Finance Act 2016, which was substantively enacted on 6 September 2016, included changes to reduce the main rate to 17% from 1 April 2020. However, on 18 November 2019, the Prime Minister Johnson announced plans to delay this reduction with the UK Government subsequently confirming that the rate had remained at 19%. This was substantively enacted for UK GAAP purposes on 17 March 2020. In the spring budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. As the proposed increase of the rate to 25% has not been substantively enacted at the year end date, its effects are not included in these financial statements.

Temporary timing differences at the Statement of financial position date have been measured using the enacted rate of 19% (2019: 17%) and reflected in these financial statements.

12 Intangible assets

	Internally developed software £'000	Purchased software £'000	Total £'000
Cost			
At 1 October 2019	3,292	157	3,449
Additions	-	-	-
At 30 September 2020	3,292	157	3,449
Accumulated amortisation			
At 1 October 2019	3,118	157	3,275
Charge for the year	117	-	117
At 30 September 2020	3,235	157	3,392
Net book value			
At 30 September 2020	57	-	57
At 30 September 2019	174	-	174

ShopperTrak Limited

Notes to the financial statements for the year ended 30 September 2020 (cont'd)

13 Tangible assets

	Fixtures, fittings, tools and equipment £'000	Plant and machinery £'000	Total £'000
Cost			
At 1 October 2019	2,766	758	3,524
At 30 September 2020	2,766	758	3,524
Accumulated depreciation			
At 1 October 2019	2,565	448	3,013
Charge for the year	56	151	207
At 30 September 2020	2,621	599	3,220
Net book value			
At 30 September 2020	145	159	304
At 30 September 2019	201	310	511

14 Investments

	Total £'000
Shares in subsidiary undertakings	
Cost	
At 1 October 2019 and 30 September 2020	1,171
Provision for impairment	
At 1 October 2019	121
Charge for the year	-
At 30 September 2020	121
Net book amount	
At 30 September 2020	1,050
At 30 September 2019	1,050
Analysed as:	2020 £'000
ShopperTrak France SARL	198
ShopperTrak Central Europe GmbH	852
ShopperTrak RCT Equipment Trading LLC	-
ShopperTrak Tecnologia Brasil Ltda	-
At 30 September 2020	1,050
	2019 £'000
	198
	852
	-
	-
	1,050

ShopperTrak Limited

Notes to the financial statements for the year ended 30 September 2020 (cont'd)

14. Investments (cont'd)

The company held the following investments at 30 September 2020:

Company	Class of shares	Proportion of nominal value of shares issued held by:		Registered office
		The company	Other group companies	
ShopperTrak France SARL	Ordinary	100%	-	Les Ellipses Batiment B, 5 Ave du Chemin des Presles, 94410 Saint Maurice, France
ShopperTrak Central Europe GmbH	Ordinary	100%	-	Kronenstrasse 12, 10117 Berlin, Germany
ShopperTrak RCT Equipment Trading LLC	Ordinary	49%	51%	Office 217, API World Tower, Sheikh Zayed Road, PO Box 211851, Dubai, UAE
ShopperTrak Tecnologia Brasil Ltda	Ordinary	100%	-	Alameda Santos, 200 – Cj. 509/510 – São Paulo SP – 01418-000, Brazil

In the directors' opinion, the carrying value of the investments is supported by the value of the underlying assets of the business.

15 Inventories

	2020 £'000	2019 £'000
Finished goods and goods for resale	654	378
	654	378

Inventories are stated net of provision for impairment of £42,284 (2019: £103,528).

16 Debtors

	2020 £'000	2019 £'000
Trade debtors	2,736	3,162
Amounts owed by group undertakings	21,149	16,223
Deferred tax (note 17)	346	353
Corporation tax	69	69
Other debtors	-	467
Prepayments and accrued income	75	523
	24,375	20,797

Trade debtors are stated after provisions for impairment of £811,084 (2019: £1,720,154).

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

ShopperTrak Limited

Notes to the financial statements for the year ended 30 September 2020 (cont'd)

17 Deferred tax

The deferred tax asset recognised consists of:

	2020 £'000	2019 £'000
Depreciation charged in excess of capital allowances claimed	346	353
Total deferred tax recognised	346	353

	2020 £'000
Asset recognised at 1 October 2019	353
Amount charged to statement of comprehensive income	(7)
Asset recognised at 30 September 2020	346

The net deferred tax asset recognised in 2020 is £345,921 (2019: £353,243). This primarily relates to the reversal of timing difference on capital allowances.

18 Creditors – amounts falling due within one year

	2020 £'000	2019 £'000
Bank loans and overdrafts	435	362
Trade creditors	655	1,260
Amounts owed to group undertakings	19,971	15,454
Taxation and social security	277	231
Other creditors	57	1,031
Accruals and deferred income	2,587	2,815
	23,982	21,153

The Johnson Controls International plc group has a cash pooling arrangement with Bank Mendes Gan ("BMG") which manages the funding requirement for EMEA group companies. BMG balances are unsecured, repayable on demand and interest rates are set and calculated daily for each currency. Average interest during the year has been 0.1% (2019: 0.1%). The bank loans and overdrafts form part of this cash pooling arrangement.

Included in amounts owed to group undertakings is £2.0 million (2019: £7.1 million) in relation to the UK cash pool which bears interest at an average rate of nil% (2019: nil%) per annum; the amount is unsecured and repayable on demand.

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

ShopperTrak Limited

Notes to the financial statements for the year ended 30 September 2020 (cont'd)

19 Operating lease commitments

The company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

Payments due	2020 £'000	2019 £'000
Within one year	194	194
Within two to five years	209	404
	403	598

Leases for land and buildings are subject to periodic rent review.

20 Called up share capital

Allotted and fully paid	2020 £'000	2019 £'000
6,079,035 Ordinary shares of £0.01 each (2019: 6,079,035)	60	60
1,551,099 A Ordinary shares of £0.01 each (2019: 1,551,099)	16	16
3,252,904 New A Ordinary shares of £0.0059 each (2019: 3,252,904)	19	19
1,662,671 B Ordinary shares of £0.01 each (2019: 1,662,671)	17	17
Total share capital	112	112

All shares carry equal dividend and voting rights. On sale, flotation or winding up, A ordinary, new A ordinary and B ordinary shares have preferential payment rights: these shares are considered to be equity shares as their distribution rights are not limited to specific amounts.

The merger reserve relates to the acquisition of ShopperTrak RCT Limited's trade and assets by the company in July 2017. The reserve comprises the £7.3 million consideration paid plus £1.3 million of net liabilities acquired.

The share based payment reserves relates to the accumulated value of equity instruments issued to employees of the entity for the current or prior years.

Retained earnings represent accumulated comprehensive income for the current and prior years.

21 Pension costs

The company participates in a group defined contribution pension scheme. Company contributions of £214,895 (2019: £248,921) were paid into the scheme during the year. £28,893 (2019: £33,025) of contributions were included in creditors at the year-end.

ShopperTrak Limited

Notes to the financial statements for the year ended 30 September 2020 (cont'd)

22 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Tyco Holdings (U.K.) Limited, a company registered in England.

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 2020. The consolidated financial statements of Johnson Controls International plc are available from:

Johnson Controls International plc
1 Albert Quay
Cork
Ireland