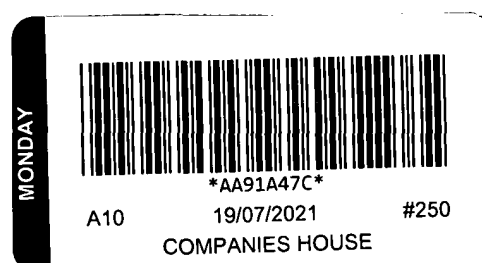


Johnson Controls Sweden Holdings (UK) Ltd  
Annual report and financial statements  
for the year ended 30 September 2020



# Johnson Controls Sweden Holdings (UK) Ltd

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

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# Johnson Controls Sweden Holdings (UK) Ltd

## Strategic report for the year ended 30 September 2020

The directors present their Strategic report on Johnson Controls Sweden Holdings (UK) Ltd (the "company") for the year ended 30 September 2020.

### Results

The results for the financial year and the financial position of the company are shown in the accompanying financial statements.

The profit before taxation for the financial year ended 30 September 2020 was \$77,991 (2019: \$2,728,071). The bank interest received during the year on the company's cash held on deposit of \$97,836 (2019: \$2,736,846) is the driving factor behind the profit generated before taxation. Interest receivable declined due to the significantly higher cash balance during the prior year, with the company paying out a dividend of \$109,000,000 in September 2019. As at the financial year-end the company had net assets of \$71,024,675 (2019: \$70,946,684).

In relation to the ongoing COVID-19 situation, the company is working to identify any potential risks and define and implement risk mitigation plans. Currently, the impact on the company's operations has been minimal. Management have identified a potential risk is a reduction in the interest rate obtained on the cash balances. However, the cash is held with an external institution that forms part of the global banking facilities which are managed centrally, thereby mitigating this risk. An ongoing concern is that the performance of the investments may deteriorate during the global crisis due to market uncertainty and trading restrictions caused by country-specific lockdowns. Management continue to perform annual impairment assessments to mitigate the risk that the holding value of the investment is higher than the value in use of the investment. Management's top priority remains ensuring that their people and extended supplier partners are safe, and is continually assessing the situation and monitoring for any potential disruptions.

### Review of business and future developments

The activities of the company are those of a holding company, investing in companies in Sweden. The company engages in investment activities which are, by their nature, non-recurrent events. Following a strategic review by the directors, management have started the dissolution process of this entity. Whilst this process is in its early stages, the intention of management is to dissolve this company in the near future. Steps have been taken to start the process as detailed below (see also note 14).

On 19 May 2021, the share capital of the company was reduced from \$66,835,325 to \$1, with the intention being to create a reserve treated as distributable profits of \$66,835,324. On 12 July 2021, the investment in Johnson Controls Battery Sweden Kommanditbolag was sold to the immediate parent company for consideration of \$76,647,037. After the investment sale, a distribution on dissolution is to be declared. Once this is settled the company's bank account will be closed. The target as at the time of approving these financial statements is that by 31 July 2021, a strike-off form (DS01) will be filed with Companies House.

The directors do not consider the going concern basis to be appropriate as the company does not expect to trade in its own right in the future and these financial statements have been prepared on a basis other than going concern.

### Key performance indicators (KPIs)

The investment activities of the company are managed as part of the global investment strategy of the Johnson Controls International plc group (the "group") and the company directors are of the opinion that analysis using KPIs is not necessary or appropriate for an understanding of the development, performance or position of the business.

# Johnson Controls Sweden Holdings (UK) Ltd

## Strategic report for the year ended 30 September 2020 (cont'd)

### Principal risk and uncertainties

The principal risks and uncertainties of the company relate to the performance of its investments and fellow subsidiary companies. Any reductions in performance of the company's direct subsidiaries, will have a direct impact on its valuation. Impairment reviews are carried out where it is assessed that an impairment trigger has been identified. This reduces the risk that the value of the investment disclosed in the financial statements is materially different from the recoverable value. The adoption of group policy which requires risk management and operational policies and procedures to be implemented in all areas of business, together with the robust supervision structure aids in the mitigation of this risk also.

On behalf of the Board



M Ayre  
Director

Date: 16 July 2021

# Johnson Controls Sweden Holdings (UK) Ltd

## Directors' report for the year ended 30 September 2020

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

The directors do not recommend payment of a dividend (2019: dividend paid of USD \$1.631 per ordinary share at a total cost of \$109,000,000).

### Going concern

As noted in the Strategic report, the directors have considered the going concern status of the company. Following a strategic review performed by the directors and a post year-end reduction in share capital, the directors do not consider the going concern basis to be appropriate. As the company is expected to have filed strike off documentation with the registrar by 31 July 2021, these financial statements have been prepared on a basis other than going concern.

### Financial risk management

As part of this year's risk assessment we have considered the impact of the result of the United Kingdom EU referendum on our principal risks. An internal working group has been established to review all aspects of the company's operations along with those of fellow subsidiaries within the UK.

#### *Credit risk*

The company is not exposed to any credit risk. 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.

#### *Exchange rate risk*

Potential exposure to currency exchange rate fluctuations is managed internally within the group. The only risk the company is exposed to is in relation to their investment in foreign companies and the companies' values fluctuating with changing exchange rates.

#### *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  
P Schieser

# Johnson Controls Sweden Holdings (UK) Ltd

## Directors' report for the year ended 30 September 2020 (cont'd)

### 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.

### Statement of directors' responsibilities

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. Please refer to note 3.

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 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



M Ayre  
Director

Date: 16 July 2021

# Johnson Controls Sweden Holdings (UK) Ltd

## Independent auditors' report to the members of Johnson Controls Sweden Holdings (UK) Ltd

### Report on the audit of the financial statements

#### Opinion

In our opinion, Johnson Controls Sweden Holdings (UK) Ltd'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 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.

#### Emphasis of matter – financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to Note 3 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than 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.

# Johnson Controls Sweden Holdings (UK) Ltd

## Independent auditors' report to the members of Johnson Controls Sweden Holdings (UK) Ltd (cont'd)

### Reporting on other information (cont'd)

#### *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 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](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.



# **Johnson Controls Sweden Holdings (UK) Ltd**

## **Independent auditors' report to the members of Johnson Controls Sweden Holdings (UK) Ltd (cont'd)**

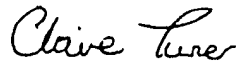
### **Other required reporting**

#### **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.



Claire Turner (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Southampton  
Date: 16 July 2021

# Johnson Controls Sweden Holdings (UK) Ltd

## Statement of comprehensive income for the year ended 30 September 2020

	Note	2020 \$	2019 \$
Administrative expenses		(19,845)	(8,775)
<b>Operating loss</b>		<b>(19,845)</b>	<b>(8,775)</b>
Interest receivable and similar income	5	97,836	2,736,846
<b>Profit before taxation</b>	6	<b>77,991</b>	<b>2,728,071</b>
Tax on profit	8	-	-
<b>Profit for the financial year</b>		<b>77,991</b>	<b>2,728,071</b>
<b>Total comprehensive income for the year</b>		<b>77,991</b>	<b>2,728,071</b>

All results derive from discontinued operations.

# Johnson Controls Sweden Holdings (UK) Ltd

## Statement of financial position as at 30 September 2020

	Note	2020 \$	2019 \$
<b>Fixed assets</b>			
Investments	9	-	69,586,915
<b>Current assets</b>			
Investments	10	69,586,915	-
Cash at bank and in hand		1,470,961	1,373,125
		71,057,876	1,373,125
<b>Creditors – amounts falling due within one year</b>	11	(33,201)	(13,356)
<b>Net current assets</b>		71,024,675	1,359,769
<b>Total assets less current liabilities</b>		71,024,675	70,946,684
<b>Net assets</b>		71,024,675	70,946,684
<b>Capital and reserves</b>			
Called up share capital	12	66,835,325	66,835,325
Other distributable reserves		-	-
Retained earnings		4,189,350	4,111,359
<b>Total equity</b>		71,024,675	70,946,684

The notes on pages 11 to 17 form an integral part of these financial statements.

The financial statements on pages 8 to 17 were approved by the Board of directors on 16 July 2021 and were signed on its behalf by:



M Ayre  
**Director**

Johnson Controls Sweden Holdings (UK) Ltd  
Registered number: 10838584

# Johnson Controls Sweden Holdings (UK) Ltd

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

	Called up share capital \$	Other distributable reserves \$	Retained earnings \$	Total equity \$
Balance as at 1 October 2018	175,835,325	-	1,383,288	177,218,613
Capital reduction	(109,000,000)	109,000,000	-	-
Dividends declared	-	(109,000,000)	-	(109,000,000)
Profit for the financial year	-	-	2,728,071	2,728,071
Balance as at 30 September 2019	66,835,325	-	4,111,359	70,946,684
Profit for the financial year	-	-	77,991	77,991
<b>Balance as at 30 September 2020</b>	<b>66,835,325</b>	<b>-</b>	<b>4,189,350</b>	<b>71,024,675</b>

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

# Johnson Controls Sweden Holdings (UK) Ltd

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

### 1 General information

Johnson Controls Sweden Holdings (UK) Ltd ("the company") is a private company limited by shares, domiciled and incorporated in England, United Kingdom. The address of the company's registered office and principal place of business is 9/10 The Briars, Waterberry Drive, Waterlooville, Hampshire, United Kingdom, PO7 7YH. The company's principal activities are 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 the year unless otherwise stated. The company has applied FRS 102 in these financial statements.

#### Basis of preparation

These financial statements are prepared on a basis other than going concern. As explained in note 14, the share capital of the company was reduced on 19 May 2021 with a view to filing the strike off documentation with the registrar by 31 July 2021. No provision has been made for the future costs of terminating the business unless such costs were committed at the reporting date. No material adjustments arose as a result of ceasing to apply the going concern basis. In the event the company is liquidated the costs of closure will be borne by a fellow group undertaking. In terms of presentation all the fixed assets have been presented as current assets at their recoverable amount.

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. Other than those stated in note 4, there are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant in these financial statements.

#### Going concern

As noted in the Strategic report the directors, following a strategic review, have considered the going concern status of the company. After the post year-end reduction in share capital, the directors do not consider the going concern basis to be appropriate. As the company is expected to have filed the necessary strike off documentation with the registrar by 31 July 2021, these financial statements have therefore been prepared on a basis other than going concern.

#### 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;
- Section 33 'Related Party Disclosures' - Paragraphs 33.7 and 33.1A, Disclosure of compensation for key management personnel and related party transactions

# Johnson Controls Sweden Holdings (UK) Ltd

## 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 which are publicly available and can be obtained from the address given in note 12. Accordingly consolidated financial statements have not been prepared and the financial information presented for the current period is for the company as an individual undertaking.

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

The directors are of the view that the main exposures and risks to the company are those denominated in US dollars as any funding requirements are received in USD, and hence US dollars is the appropriate functional currency. The directors have also selected US dollars as the presentational currency for the financial statements.

#### **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 expense represents the sum of the current tax expense and deferred tax expense.

##### *Current tax*

Current tax is the amount of income tax payable in respect of the taxable profits for the period at the standard effective rate of corporation tax in the UK.

##### *Deferred tax*

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income or expenses from subsidiaries, associates, branches and interests in jointly controlled entities, that will be assessed to or allow for tax in a future period except where the company is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

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

# Johnson Controls Sweden Holdings (UK) Ltd

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

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

#### **Current asset investments**

Investments are stated at the lower of cost plus incidental expenses or fair value. The company performs periodic reviews to determine the fair value of the investment. If the fair value falls below the cost plus incidental expenses any excess is written off to the Statement of comprehensive income.

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

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

#### **Financial instruments**

##### *Financial assets*

Basic financial assets, including amounts owed by fellow group companies, other receivables 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 or an impairment loss is recognised in the Statement of comprehensive income.

##### *Financial liabilities*

Basic financial liabilities, including trade and other payables, bank overdrafts, loans from fellow group companies, 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.

#### **Interest receivable and similar income**

Interest income is recognised in the period to which it relates regardless of when it is received.

#### **Related party transactions**

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

### 4 Critical accounting judgements and estimated 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 investments*

As per the accounting policy fixed asset investments are reviewed for indicators of impairment. For trading investments, 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 cash flows and other future events. For the non-trading investments, the net asset value has been used, as the recoverable amount, in place of the VIU. This involves an element of judgement when determining the recoverability and computation of items included in the net assets.

# Johnson Controls Sweden Holdings (UK) Ltd

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

### 5 Interest receivable and similar income

	2020 \$	2019 \$
Bank interest receivable	97,836	2,736,846

### 6 Profit before taxation

	2020 \$	2019 \$
<b>Profit before taxation is stated after charging/(crediting):</b>		
Auditors' remuneration for audit services	19,260	6,687
Foreign exchange losses/(gains)	585	(1)

A proportion of auditors' remuneration for audit services is borne by other members of the Johnson Controls International plc group.

### 7 Directors and employees

The directors received no remuneration (2019: \$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. It is not possible to determine an allocation of costs to this company. The average monthly number of employees (excluding directors) is nil (2019: nil).

### 8 Tax on profit

There is no tax charge for the current year.

#### Reconciliation of tax charge

The tax assessed for the year is lower (2019: lower) than the standard rate of corporation tax in the United Kingdom of 19% (2019: 19%) for the year ended 30 September 2020. The differences are explained below:

	2020 \$	2019 \$
<b>Profit before taxation</b>	<b>77,991</b>	<b>2,728,071</b>
Profit before taxation multiplied by standard rate of corporation tax of 19% (2019: 19%)	14,818	518,333
Effects of:		
Expenses not deducted for tax	-	24
Share of subsidiary partnership income	376,428	463,662
Group relief received for nil consideration	(391,246)	(982,019)
<b>Total tax charge for the year</b>	<b>-</b>	<b>-</b>



# Johnson Controls Sweden Holdings (UK) Ltd

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

### 8 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 UK government announced plans to delay this reduction, subsequently confirming that the rate had remained at 19%. This was substantively enacted for UK GAAP purposes on 17 March 2020. In its 2021 spring budget, the UK 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 Statement of financial position date, its effects are not included in these financial statements.

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

### 9 Fixed asset investments

	Total \$
<b>Shares in subsidiary undertakings</b>	
<b>Cost</b>	
At 1 October 2019	69,586,915
Transfer to current asset investments (note 3)	(69,586,915)
<b>At 30 September 2020</b>	-
<b>Net book amount</b>	
<b>At 30 September 2020</b>	-
At 30 September 2019	69,586,915
<b>Analysed as:</b>	
	2020 \$
	2019 \$
Johnson Controls Battery Sweden Kommanditbolag	- 69,586,915

As detailed in note 14, the directors started proceedings to dissolve the company in May 2021. In July 2021, the investment in Johnson Controls Battery Sweden Kommanditbolag was sold to the immediate parent company. As such, at the time of approving these financial statements, the investment is deemed to be available for sale and therefore presented within current assets as at 30 September 2020.

At 30 September 2020 and as at 30 September 2019 the company held the following investment in subsidiary undertakings:

Company	Class of shares	Proportion of nominal value of shares issued held by:		Registered office
		The company	Other group companies	
Johnson Controls Battery Sweden Kommanditbolag	Ordinary	90%	10%	Nils Ericssonsgatan 17, Box 11025, Goteborg, 404 21, Sweden

# Johnson Controls Sweden Holdings (UK) Ltd

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

### 10 Current asset investments

	2020	2019
	\$	\$
Investment in subsidiary undertaking (note 3)	69,586,915	-

As detailed in note 9, for presentational purposes, this investment is shown within fixed asset investments in the year ended 30 September 2019.

Subsequent to the year end, in July 2021, the investment in Johnson Controls Battery Sweden Kommanditbolag was sold to the immediate parent company for cash consideration of \$76,647,037 leading to a profit on disposal of \$7,060,122.

In the directors' opinion, the carrying value of the investments is supported by the recoverable value evidenced by the consideration received subsequent to the year end.

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

	2020	2019
	\$	\$
Accruals	33,201	13,356

### 12 Called up share capital

	2020	2019
	\$	\$
Allotted and fully paid		
66,835,325 (2019: 66,835,325) Ordinary shares of \$1 each	66,835,325	66,835,325

#### Ordinary share rights

Each share has full rights in the company with respect to voting and dividends. The shares do not carry any rights in respect to capital to participate in a distribution (including on a winding up) other than those that exist as a matter of law.

### 13 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Johnson Controls Hong Kong Limited, a company incorporated in Hong Kong.

The ultimate parent undertaking and controlling party is Johnson Controls International plc, a company incorporated in Cork, Ireland. This entity is also 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  
One Albert Quay  
Cork  
T12 X8N6  
Ireland

# **Johnson Controls Sweden Holdings (UK) Ltd**

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

### **14 Post balance sheet events**

Subsequent to the year-end, management have started the dissolution process of this entity. Whilst this process is in its early stages, the intention of management is to dissolve this company in the near future. Steps have been taken to start the process as detailed below.

On 19 May 2021, the share capital of the company was reduced from \$66,835,325 to \$1, with the intention being to create a reserve treated as distributable profits of \$66,835,324. On 12 July 2021, the investment in Johnson Controls Battery Sweden Kommanditbolag was sold to the immediate parent company for consideration of \$76,647,037. After the investment sale, a distribution on dissolution is to be declared. Once this is settled the company's bank account will be closed. The target as at the time of approving these financial statements is that by 31 July 2021, a strike-off form (DS01) will be filed with Companies House.