

Registered Number 02855152

First City Care (London) Limited (formerly First City Care
(London) plc)
Annual report and financial statements
for the year ended 30 September 2018

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First City Care (London) Limited (formerly First City Care (London) plc)

Annual report and financial statements for the year ended 30 September 2018

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Strategic report

The director presents their Strategic report on the company for the year ended 30 September 2018.

Review of business and future developments

The principal activity of the company during the financial year was the installation and service of integrated security systems and associated special engineering and electrical works. During 2018 the activities within the business were novated to another group company and the company has been dormant since 1 October 2018, the director does not plan to liquidate the company. However, this process of novation was not executed as initially expected. Whilst management have undertaken a review to determine an estimate of the splits of activity pre and post novation, the inherent risks associated with this led to the auditors giving a qualified opinion.

The results for the year are given in the Statement of comprehensive income on page 7. The result for the year was a profit after tax of £211,809 (2017: £17,354). Sales decreased by 67.5 percent; any contracts due for renewal are renewed by a fellow group company of Johnson Controls International plc (JCI). The gross profit margin decreased due to increased costs to complete on some contracts and increases in direct overhead costs, however a decrease in distribution costs meant that operating profits increased.

Key performance indicators

The company's key performance during the year were:

	2018	2017
Turnover	£1.9m	£5.8m
Profit before interest and tax	£0.2m	£0.0m
Total equity	£7.1m	£6.9m

Principal risks and uncertainties

The company is now dormant, and as such the director believes that the principal risks and uncertainties of the business, including any risks associated with Brexit, are now held elsewhere within the group. These risks will be reconsidered if it is decided that the company will resume trading at a future date.

On behalf of the Board



M Meah

Director

Date: 30 September 2019

First City Care (London) Limited (formerly First City Care (London) plc)

Director's report

The director presents this Director's report and the audited financial statements of the company for the year ended 30 September 2018.

The company re-registered from a Public Limited Company to a Private Limited Company on 7 March 2018.

Current and future developments

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

Dividends

The director does not recommend payment of a dividend (2017: £nil).

Financial risk management

The company's operations exposed it to a variety of financial risks that include the effects of credit risk, exchange rate risk, price risk and liquidity and interest rate risk.

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.

Price risk

The director recognises the price risk associated with the Building Technologies & Solutions business is subject to market forces and will impact the prices for product and project management services. To help minimise this risk, prices for large contracts are set on a contract by contract basis.

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 company 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.

Environmental, health and safety matters

Johnson Controls International plc is a global market leader and therefore has adopted a uniform approach to managing Environmental, Health and Safety ("EHS") matters by following the principles and guidance contained in both international standards ISO 14001 and OHSAS 18001. All parts of the group are expected to demonstrate that the requirements of these two key standards are covered in their country based EHS management system.

First City Care (London) Limited (formerly First City Care (London) plc)

Director's report (cont'd)

Environmental, health and safety matters (cont'd)

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.

Directors

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

J Andreu	resigned 31 December 2017
J Bramall	resigned 31 May 2018
M Meah	appointed 31 December 2017

Director's indemnities

As permitted by the Articles of Association, the director has 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.

Statement of director's responsibilities in respect of the financial statements

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director 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 director is 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 director is 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 director is 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.

First City Care (London) Limited (formerly First City Care (London) plc)

Director's report (cont'd)

Director's confirmations

In the case of each director in office at the date the Director's 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 Director's Board Meeting.

On behalf of the Board.



M Meah

Director

Date: 30 September 2019

First City Care (London) Limited (formerly First City Care (London) plc)

Independent auditors' report to the members of First City Care (London) Limited

Report on the audit of the financial statements

Disclaimer of opinion

Because of the significance of the matter described in the Basis for disclaimer of opinion paragraph below, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly we do not express an opinion on First City Care (London) Limited's financial statements.

We were engaged to audit 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 2018; 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. The financial reporting framework that has been applied in their preparation is 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).

Basis for disclaimer of opinion

During the year ended 30 September 2018 a number of the company's revenue contracts were novated from the company to fellow subsidiary companies. However, the company continued to process invoices for all contracts and account for these contracts in its ledgers. Supporting information could not be provided for those contracts that were retained within the company to support the turnover recognised in the year and as such sufficient, appropriate audit evidence could not be obtained. As a result of this limitation in the scope of our work on turnover, we have also not been able to obtain sufficient, appropriate audit evidence on certain other related account balances within the financial statements (or items detailed in the relevant notes to the financial statements) including cost of sales, other related operational expenses (within Administration expenses and Distribution costs) and taxation for the financial year in the Statement of comprehensive income; and debtors including trade debtors, amounts owed by group undertakings, accrued income, other assets and prepayments and creditors including trade creditors, accruals and deferred income, payments received on account, amounts owed to group undertakings, and taxation and social security in the Statement of financial position. As a result of these matters, we were also unable to determine whether any adjustments might have found to be necessary in respect of those account balances and the elements making up the Statement of comprehensive income, the Statement of changes in equity and the Statement of financial position.

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.

Reporting on the Strategic report and Director's report

Notwithstanding our disclaimer of an opinion on the financial statements, based on the work undertaken in the course of the audit, the information given in the Strategic report and Director's report for the year ended 30 September 2018 is consistent with the financial statements.

Because of the significance of the matter described in the Basis of disclaimer paragraph above we have been unable to form an opinion whether, based on the work undertaken in the course of the audit, the information given in the Strategic report and Director's report for the year ended 30 September 2018 has been prepared in accordance with applicable legal requirements.

Notwithstanding our disclaimer of an opinion on the financial statements, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit and performed subject to the pervasive limitation described above, we did not identify any material misstatements in the Strategic report and Director's report.

First City Care (London) Limited (formerly First City Care (London) plc)

Independent auditors' report to the members of First City Care (London) Limited (cont'd)

Responsibilities for the financial statements and the audit

Responsibilities of the director for the financial statements

As explained more fully in the Statement of director's responsibilities set out on page 3, the director is 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 director is 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the financial statements in accordance with ISAs (UK) and to issue an auditors' report. However, because of the matters described in the Basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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

Arising from the limitation of our work referred to in the Basis for disclaimer of opinion paragraph above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept by the company.

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

- 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.



Nicholas Smith (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Southampton

30 September 2019

First City Care (London) Limited (formerly First City Care (London) plc)

Statement of comprehensive income for the year ended 30 September 2018

	Note	2018 £	2017 £
Turnover	5	1,889,183	5,815,209
Cost of sales		(2,115,296)	(5,571,839)
Gross (loss)/profit		(226,113)	243,370
Distribution costs		440,453	159,232
Administrative expenses		(1,329)	(388,863)
Operating profit	6	213,011	13,739
Interest receivable and similar income	8	-	3,305
Profit before tax		213,011	17,044
Tax on profit	9	(1,202)	310
Profit and total comprehensive income for the financial year		211,809	17,354

All amounts relate to discontinuing operations as the company novated it's customer contracts to another group undertaking in the year.

First City Care (London) Limited (formerly First City Care (London) plc)

Statement of financial position as at 30 September 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	10	-	931
		-	931
Current assets			
Inventories	11	32,485	33,087
Debtors	12	23,979,800	24,598,006
		24,012,285	24,631,093
Creditors – amounts falling due within one year	14	(16,870,898)	(17,702,446)
Net current assets		7,141,387	6,928,647
Total assets less current liabilities		7,141,387	6,929,578
Net assets		7,141,387	6,929,578
Capital and reserves			
Called up share capital	15	450,000	450,000
Retained Earnings		6,691,387	6,479,578
Total equity		7,141,387	6,929,578

The notes on pages 10 to 18 are an integral part of these financial statements.

The financial statements on pages 7 to 18 were approved by the Board of directors on 30 September 2019 and were signed on its behalf by:



M Meah
Director

First City Care (London) Limited (formerly First City Care (London) plc)
Registered Number 02855152

First City Care (London) Limited (formerly First City Care (London) plc)

Statement of changes in equity for the year ended 30 September 2018

	Called up share capital £	Retained income £	Total equity £
Balance as at 1 October 2016	450,000	6,462,224	6,912,224
Profit for the financial year and total comprehensive income	-	17,354	17,354
Balance as at 30 September 2017	450,000	6,479,578	6,929,578
Profit for the financial year and total comprehensive income	-	211,809	211,809
Balance as at 30 September 2018	450,000	6,691,387	7,141,387

First City Care (London) Limited (formerly First City Care (London) plc)

Notes to the financial statements for the year ended 30 September 2018

1 General information

First City Care (London) Limited (formerly First City Care (London) plc) ("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 is a leading provider of equipment, controls and solutions to increase energy efficiency and lower operating costs for buildings, as well as industrial & commercial refrigeration solutions. During the year the company novated its activities to another group undertaking has now become a dormant 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.

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention. The director has considered all available information relating to the future of the business and confirm their assessment that preparing the financial statements on a going concern basis is appropriate.

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 17.

- 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.

First City Care (London) Limited (formerly First City Care (London) plc)

Notes to the financial statements for the year ended 30 September 2018 (cont'd)

3 Summary of significant accounting policies (cont'd)

Revenue recognition

Turnover represents the amount receivable for goods supplied or services rendered, net of discounts and value added taxes.

Service contracts

Service revenue is recognised on a straight-line basis over the period of the contract and costs are expensed as they are incurred.

Installation contracts

The company recognises revenue on longer term installation contracts (those lasting longer than 30 days) under the percentage-of-completion method of accounting where revenue is recognised with reference to the stage of completion of the contract using the proportion that costs incurred for work performed to date bear to the estimated total costs.

Revenue is only recognised to the extent that costs incurred are expected to be recoverable. Turnover represents costs incurred plus the director's best estimate of profits attributable to the work performed to date. For this purpose the director's estimate of attributable profits will include a proportion of the total profits anticipated to be made on the contract, to the extent that the outcome of the transaction can be estimated reliably.

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 year end and that are expected to apply to the reversal of the timing difference.

First City Care (London) Limited (formerly First City Care (London) plc)

Notes to the financial statements for the year ended 30 September 2018 (cont'd)

3 Summary of significant accounting policies (cont'd)

Tangible assets and depreciation

Tangible assets are stated at cost, which is the original purchase price plus incidental expenses, less accumulated depreciation. Depreciation is provided on tangible fixed assets so as to write off the cost over their expected useful economic life as follows:

Computer equipment	25% or 33% on cost
Fixtures, fittings, tools & equipment	10% or 20% on cost

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.

Long term contracts

Amounts recoverable on contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on accounts. Excess progress payments are included in creditors as payments received on account.

Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined on the first in first out method and includes the purchase price, including taxes, duties, transport and handling directly attributable to the bringing the inventory into its present location and condition.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, it is reduced to its estimated selling price less costs to complete and sell and an impairment charge is recognised in the statement of comprehensive income. Where an impairment charge is reversed, up to the original impairment loss, a credit is recognised in the statement of comprehensive income.

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 falling due within one year.

Financial instruments

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and loans to fellow group companies 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.

First City Care (London) Limited (formerly First City Care (London) plc)

Notes to the financial statements for the year ended 30 September 2018 (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 and 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, defined contribution and defined benefit pension plans.

Annual bonus plan

The company operates an annual bonus plan for employees. An expense is recognised in the statement of comprehensive income 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. 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 resulting accounting estimates will, by definition, seldom equal the related actual results. 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.

Estimation of contract revenue recognition

Under the percentage-of-completion method of accounting, where revenue and profit recognition is recognised with reference to the stage of completion of the contract. The company's revenue recognition policy, which is set out in note 3, is critical in calculating the value of work to be recognised in the year.

The policy requires forecasts to be made of the outcomes of long term contracts, which require assessments and judgements to be made on recovery of costs, changes in the scope of work and changes in costs. An assessment of the stage of completion is made by reference to these judgements along with the costs incurred to date as a proportion of total forecast costs.

First City Care (London) Limited (formerly First City Care (London) plc)

Notes to the financial statements for the year ended 30 September 2018 (cont'd)

5 Turnover

Turnover by destination	2018 £	2017 £
United Kingdom	1,715,318	4,377,045
Europe, Middle East and Africa	173,865	1,438,164
North America		-
	1,889,183	5,815,209

All of the company's turnover, result for the year and net assets originate from the company's main activity which is the installation and service of integrated security systems and associated special engineering and electrical works (2017: same).

6 Operating profit

	2018 £	2017 £
Operating profit is stated after charging/(crediting)		
Staff costs		
- wages and salaries	1,131,108	1,572,190
- social security costs	124,000	177,932
- other pension costs (note 16)	51,742	54,500
Total staff costs	1,306,850	1,804,622
Depreciation of tangible assets (note 10)	931	2,020
Inventory recognised as an expense	4,524	5,937
Impairment of trade receivables	5,675	126,812
Auditors' remuneration		
- for audit services	18,000	18,000
Foreign exchange (gains)/losses	(3,573)	2,405

First City Care (London) Limited (formerly First City Care (London) plc)

Notes to the financial statements for the year ended 30 September 2018 (cont'd)

7 Directors and employees

The director is remunerated by a fellow group company in respect of services provided to a number of group companies as directors. The director is not able to apportion the emoluments attributable to services provided to each company as the services are incidental to their overall responsibilities to the wider group. Accordingly the financial statements include no emoluments in respect of any directors (2017: £nil).

Staff numbers

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

	2018	2017
Administration and support	1	2
Sales, marketing and distribution	2	1
Engineers	19	32
	22	35

8 Interest receivable and similar income

	2018 £	2017 £
Interest receivable from group undertakings	-	3,305
	-	3,305

9 Tax on profit

	2018 £	2017 £
Current tax		
UK Corporation tax at 19% (2017: 19.5%)	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(11,308)	(1,348)
Prior year adjustment	11,320	-
Impact of change in corporation tax rate on timing differences	1,190	
Pension related timing difference	-	1,038
Total deferred tax (note 13)	1,202	(310)
Total tax on profit	1,202	(310)

First City Care (London) Limited (formerly First City Care (London) plc)

Notes to the financial statements for the year ended 30 September 2018 (cont'd)

9 Tax on profit (cont'd)

Reconciliation of tax charge

The tax assessed for the financial year is lower than (2017: lower) the standard rate of corporation tax in the United Kingdom of 19% (2017: 19.5%). The differences are explained below:

	2018 £	2017 £
Profit before tax	213,011	17,044
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2017: 19.5%)	40,472	3,324
Expenses not deductible for tax purposes	(10,238)	-
Group relief received for nil consideration	(41,542)	(3,680)
Adjustments in respect of prior years	11,320	-
Impact of change in corporation tax rate on other timing differences	1,190	-
Total charge / (credit) for the year	1,202	(310)

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.

10 Tangible assets

	Computer equipment £	Fixtures, fittings tools and equipment £	Total £
Cost			
At 1 October 2017	72,330	9,211	81,541
At 30 September 2018	72,330	9,211	81,541
Accumulated depreciation			
At 1 October 2017	71,399	9,211	80,610
Charge for the year	931	-	931
At 30 September 2018	72,330	9,211	81,541
Net book value			
At 30 September 2018	-	-	-
At 30 September 2017	931	-	931

First City Care (London) Limited (formerly First City Care (London) plc)

Notes to the financial statements for the year ended 30 September 2018 (cont'd)

11 Inventories

	2018 £	2017 £
Finished goods	32,485	33,087
	32,485	33,087

There is no significant difference between the replacement cost of the inventories and the carrying amount in the statement of financial position. Inventories are stated net of provision for impairment of £10,432 (2017: £5,908).

12 Debtors

	2018 £	2017 £
Trade debtors	301,390	2,291,405
Amounts recoverable on contracts	79,447	198,604
Accrued income	240,629	424,232
Amounts owed by group undertakings	23,345,781	21,647,271
Deferred tax (note 13)	1,491	2,693
Other receivables	-	502
Prepayments	11,062	33,299
	23,979,800	24,598,006

Included within amounts owed by group undertakings is an amount of £23,345,781 (2017: £21,644,092) in relation to the UK cash pool which bears interest at an average rate of nil% (2017: 0.029%) per annum, the amount is unsecured and repayable on demand. All other amounts owed by group undertakings are interest free, repayable on demand and unsecured.

13 Deferred tax

The deferred tax asset recognised consists of:

	2018 £	2017 £
Accelerated capital allowances	234	190
Other timing differences	1,257	2,503
Total deferred tax recognised	1,491	2,693
		2018 £
Asset recognised at 1 October 2017		2,693
Amount credited to Statement of comprehensive income		(1,202)
Asset recognised at 30 September 2018		1,491

First City Care (London) Limited (formerly First City Care (London) plc)

Notes to the financial statements for the year ended 30 September 2018 (cont'd)

14 Creditors – amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	3,232	-
Trade creditors	135,743	1,113,792
Payments received on account	98,795	183,090
Amounts owed to group undertakings	16,560,186	16,043,385
Taxation and social security	27,943	211,456
Other creditors	6,141	24,891
Accruals and deferred income	38,858	125,832
	16,870,898	17,702,446

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

15 Called up share capital

	2018 £	2017 £
Allotted and fully paid		
450,000 (2017: 450,000) Ordinary shares of £1 each	450,000	450,000
	450,000	450,000

The company has one class of ordinary shares which carries no right to fixed income.

16 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost for the year represents contributions payable by the company to the scheme and amounted to £51,742 (2017: £54,500).

Contributions totalling £7,394 (2017: £8,816) were payable to the scheme at the end of the financial year and are included in creditors.

17 Ultimate parent undertaking and controlling party

The immediate parent undertaking and controlling party during the financial year was Amberwell Holdings 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 2018. The consolidated financial statements of Johnson Controls International plc are available from:

Johnson Controls International plc
1 Albert Quay
Cork
Ireland