

City Technology Holdings Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022



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Company Information

Director	Hicham Khellafi
Registered office	Honeywell House Skimped Hill Lane Bracknell Berkshire RG12 1EB United Kingdom

Director's Report for the Year Ended 31 December 2022

The director presents his report and the financial statements for the year ended 31 December 2022.

Principal activity

The company has not traded during the year.

Results and dividends

During the year the company has not traded, has not incurred any liabilities, and consequently, has made neither a profit nor a loss.

Financial risk management, objectives and policies

The company is not exposed to any significant financial risks.

Director of the company

The director, who held office during the year, and up to the date of signing these financial statements, was as follows:

Hicham Khellafi

Director's indemnities

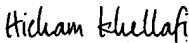
Pursuant to the company's articles of association, the director was throughout the financial year ended 31 December 2022 and is at the date of this report entitled to a qualifying indemnity provision as defined in section 234 of the Companies Act 2006.

Events since the balance sheet date

There have been no material adjusting or disclosable events since the financial year end.

Approved by the board of directors on ~~28-Jun-2023~~ and signed on its behalf by:

DocuSigned by:



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Hicham Khellafi

Director

Statement of Director's Responsibilities

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the director must not approve the financial statements unless he is 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 these financial statements, the director is required to:

- select suitable accounting policies and apply them consistently;
- 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 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 him to ensure that the financial statements comply with the Companies Act 2006. He 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.

Profit and Loss Account for the Year Ended 31 December 2022

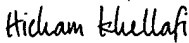
The company did not trade during the financial year or the preceding financial year. The company received no income and incurred no expenditure during these years. Consequently, during these years the company made neither a profit nor a loss.

The company has no other recognised gains and losses nor any cash flow during these years and accordingly no statement of total recognised gains and losses, reconciliation of movements in shareholder's funds or cash flow statement is presented.

28-Jun-2023

Approved by the board of directors on and signed on its behalf by:

DocuSigned by:



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Hicham Khellafi
Director

Balance Sheet as at 31 December 2022

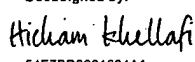
	Note	31 December 2022 £000	31 December 2021 £000
Fixed assets			
Investments	5	39,647	39,647
		<u>39,647</u>	<u>39,647</u>
Current assets			
Debtors: amounts falling due within one year	6	10,899	10,899
		<u>10,899</u>	<u>10,899</u>
Net current assets		<u>10,899</u>	<u>10,899</u>
Total assets less current liabilities		<u>50,546</u>	<u>50,546</u>
Net assets		<u>50,546</u>	<u>50,546</u>
Capital and reserves			
Called-up share capital	7	4,875	4,875
Share premium	8	54,238	54,238
Retained earnings	9	(8,567)	(8,567)
Shareholder's funds		<u>50,546</u>	<u>50,546</u>

For the year ended 31 December 2022 the company was entitled to the exemption from audit under section 480 of the Companies Act 2006:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006; and
- The director acknowledges his responsibilities for complying with the requirement of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

28-Jun-2023

The financial statements on pages 4 to 11 were approved by the board of directors on and signed on its behalf by:

DocuSigned by:

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 Hicham Khellafi
 Director

Notes to the Financial Statements for the Year Ended 31 December 2022

1 General information

City Technology Holdings Limited is a private company limited by share capital, incorporated and domiciled in United Kingdom under the Companies Act 2006 and registered in England and Wales. The nature of the company's operations and its principal activities are set out in the director's report on page 2.

The address of its registered office is:

Honeywell House
Skimped Hill Lane
Bracknell
Berkshire
RG12 1EB
United Kingdom

The immediate parent undertaking is First Technology Limited, a company incorporated in United Kingdom. The registered address of the parent is Honeywell House, Skimped Hill Lane, Bracknell, Berkshire, RG12 1EB.

The financial statements contain information about the company as an individual company and do not contain consolidated financial information as parent of a group.

The company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the financial statements of Honeywell International Inc., a company registered in the USA. Honeywell International Inc. is the company's ultimate parent company and controlling party, heading up the smallest and largest group to consolidate these financial statements. The registered office of the ultimate parent company is located at 300 South Tryon Street, Charlotte, NC 28202, USA. The financial statements of Honeywell International Inc. are publicly available and can be obtained from the internet at www.honeywell.com.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies 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

The company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

These financial statements are prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006.

The company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

Summary of disclosure exemptions

In these financial statements, as a qualifying entity, the company has taken advantage of the exemptions available under FRS 101 in respect of the following disclosures:

- IFRS 7 - 'Financial instruments: Disclosures';

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

- Paragraphs 91 to 99 of IFRS 13 - 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 38 of IAS 1 - 'Presentation of financial statements' (comparative information requirements in respect of):
 - paragraph 79(a)(iv) of IAS 1 (reconciliation of number of shares at the beginning and end of the period),
 - paragraph 17 of IAS 24 Related Party Disclosures (key management compensation);
- The following paragraphs of IAS 1 - 'Presentation of financial statements' (removing the requirement to present):
 - 10(d) (statement of cash flows),
 - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements and 16 (statement of compliance with all IFRS),
 - 38A to 38D (requirement for minimum of two primary statements, including cash flow statements and additional comparative information), and
 - 40A to 40D, 111 (statement of cash flows information) and 134-136 (capital management disclosures) of IAS 1;
- IAS 7 - 'Statement of cash flows';
- Paragraphs 30 and 31 of IAS 8 - 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective); and
- The requirements in IAS 24 Related party disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Changes in accounting policy

None of the other standards, interpretations and amendments effective for the first time from 1 January 2022 have had a material effect on the financial statements.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity.

Classification and measurement

Financial instruments are classified at inception into one of the following categories, which then determine the subsequent measurement methodology:

Financial assets are classified into one of the following three categories:

- financial assets at amortised cost;
- financial assets at fair value through other comprehensive income (FVTOCI); or
- financial assets at fair value through the profit or loss (FVTPL).

Financial liabilities are classified into one of the following two categories:

- financial liabilities at amortised cost; or
- financial liabilities at fair value through the profit or loss (FVTPL).

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

The classification and the basis for measurement are subject to the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, as detailed below:

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

If either of the above two criteria is not met, the financial assets are classified and measured at fair value through the profit or loss (FVTPL).

If a financial asset meets the amortised cost criteria, the company may choose to designate the financial asset at FVTPL. Such an election is irrevocable and applicable only if the FVTPL classification significantly reduces a measurement or recognition inconsistency.

Financial liabilities at amortised cost

After initial recognition, financial liabilities at amortised cost are measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss account when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as interest payable in the profit and loss account.

Derecognition

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification of the terms of a financial asset are modified, the company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to the cash flows from the original financial asset are deemed to expire. In this case the original financial asset is derecognised and a new financial asset is recognised at either amortised cost or fair value.

If the cash flows are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in the statement of income. Modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit and loss account.

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

3 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 2, the director is required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

There are no judgements that have a significant effect on amounts recognised in the financial statements.

Estimates and assumptions

There are no key estimates and assumptions that have a significant effect on amounts recognised in the financial statements.

4 Employees and directors

In 2022, the director (2021: the director) was remunerated by other group companies for his services to the group as a whole.

The company has no employees (2021: no employees).

5 Investments

Subsidiaries	£000
Cost	
At 1 January 2022	48,437
At 31 December 2022	48,437
Provision for impairment	
At 1 January 2022	(8,790)
At 31 December 2022	(8,790)
Carrying amount	
At 31 December 2022	39,647
At 31 December 2021	39,647

The director believes that the book value of the investments is not more than the value of the underlying net assets.

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

5 Investments (continued)

Details of the subsidiaries as at 31 December 2022 are as follows:

Name of subsidiary	Principal activity	Registered office	Country of incorporation	Holding
Comstack Limited*	Dormant	Honeywell House, Skimped Hill Lane, Bracknell, Berkshire, RG12 1EB, United Kingdom	United Kingdom	100%
City Technology Limited	Gas sensors	Honeywell House, Skimped Hill Lane, Bracknell, Berkshire, RG12 1EB, United Kingdom	United Kingdom	100%

* indicates direct investment of the company

6 Debtors

	31 December 2022 £000	31 December 2021 £000
Amounts falling due within one year		
Amounts owed by group undertakings	10,899	10,899

All amounts owed by group undertakings are payable on demand and unsecured.

7 Called-up share capital

	31 December 2022 £000	31 December 2021 £000
Authorised and allotted, called-up and fully paid		
48,747,373 (2021: 48,747,373) ordinary shares of £1 each	4,875	4,875
	<u>4,875</u>	<u>4,875</u>

8 Share premium

	2022 £000	2021 £000
Balance at 1 January and 31 December		
Premium arising on issue of equity shares	54,238	54,238
	<u>54,238</u>	<u>54,238</u>

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

9 Reconciliation of movement in shareholder's funds and reserves

	Called-up share capital £000	Share premium £000	Retained earnings £000	Total £000
At 1 January 2021	4,875	54,238	(8,567)	50,546
At 31 December 2021	4,875	54,238	(8,567)	50,546
At 1 January 2022	4,875	54,238	(8,567)	50,546
At 31 December 2022	4,875	54,238	(8,567)	50,546

10 Transition to FRS 101

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council.

For the year ended 31 December 2021, the company prepared its financial statements in accordance with FRS 102. These financial statements, for the year ended 31 December 2022, are the first the company has prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

Accordingly, the company has prepared individual financial statements which comply with FRS 101 applicable for periods beginning on or after 1 January 2021 and the significant accounting policies meeting those requirements are described in the relevant notes.

In preparing these financial statements, the company has started from an opening balance sheet as at 1 January 2021, the company's date of transition to FRS 101, and made those changes in accounting policies and other restatements required for the first-time adoption of FRS 101. As such, this note explains the principal adjustments made by the company in restating its balance sheet as at 1 January 2021 prepared under FRS 102 and its previously published FRS 102 financial statements for the year ended 31 December 2021.

On transition to FRS 101, the company has applied the requirements of paragraphs 6-33 of IFRS 1 "First time adoption of International Financial Reporting Standards" except for the requirement of paragraphs 6 and 21 to present an opening statement of financial position at the date of transition.

On transition to FRS 101, no adjustments were required to the previous FRS 102 reported opening balance sheet position as at 1 January 2021.

11 Events after the balance sheet date

There have been no material adjusting or disclosable events since the financial year end.