

EnergyMGT UK Limited
Report and Financial
Statements 2015

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Directors' report

for the year ended 31 December 2015

The directors present their report and the audited financial statements of the company for the year ended 31 December 2015.

Principal activities

The principal activity of the company was that of data management services. Following the transfer of the company's trade, assets and liabilities to Energy ICT Limited, the company has ceased to trade.

Business review and future developments

No business review is provided as this report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The results for the year are in line with the directors' expectations. The directors intend that the company will continue to operate as a holding company for its trading subsidiaries for the foreseeable future.

During the year the company transitioned from previously extant UK GAAP to (FRS) 101 – 'Reduced Disclosure Framework' and has taken advantage of the disclosure exemptions allowed under this standard. The company's parent undertaking, Energy ICT Limited, was notified of and did not object to the use of the FRS 101 disclosure exemptions. Details of the recognition or measurement differences arising on the adoption of FRS 101 are included in note 14 to these financial statements.

Results

The profit for the year, after taxation, was £114,000 (2014: £1,000 loss) which will be transferred to reserves. The results for the year are shown on page 5.

Financial risk management

Credit risk

The company's principal financial assets are other receivables.

The company's has no significant concentration of credit risk.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company ensures regular communication with other Group companies.

Directors of the company

The directors of the company who held office during the year and up to the date of signing these financial statements were:

Lindsay Howard (appointed 18 December 2015)

Kolja Kress (appointed 18 December 2015)

Garry Barnes (resigned 22 December 2015)

Geoffrey Martin (resigned 22 December 2015)

Directors' indemnities

Pursuant to the company's articles of association, the directors were throughout the year ended 31 December 2015 and are at the date of this report entitled to a qualifying indemnity provision as defined in section 234 of the Companies Act 2006.

Employment of disabled persons

The company recognises that physically or otherwise disabled individuals are not, of necessity, prevented from making a valuable and significant contribution to the business, and where people have the attitudes and abilities necessary for the job, the company gives sympathetic consideration towards employing them, or retaining them in work should the disability emerge during employment. The company's policy is to ensure that no discrimination either direct or indirect occurs against employees or applicants, whether in selection, promotion, access to training, or appraisal.

Directors' report

for the year ended 31 December 2015

Employee involvement

The company keeps employees fully informed of the company's strategies and their impact on the performance of the company and the group and encourages employee participation. Briefing meetings are held for each division to give information on company matters and provide an opportunity for discussion. E-mail bulletins are circulated regularly to all employees to ensure a common awareness of financial and economic factors that affect the performance of the company. Furthermore, employees can acquire shares in the ultimate parent company through the UK Share Builder Plan.

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework.'

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 for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

Directors' statement as to disclosure of information to auditor

In the case of each of the persons who is a director at the time this report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all the steps that he/she ought to have taken as a director to make him/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

The ultimate parent company, Honeywell International Inc. has indicated that it will provide financial support to the company for at least one year from the date of signing these financial statements. The directors, having taken into account both the future trading of the company and the financial support from the ultimate parent undertaking, have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

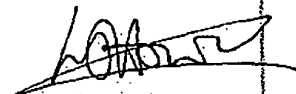
Events since the balance sheet date

There have been no material adjusting/ disclosable post balance sheet events since the year end.

Independent auditor

During the year the director appointed Deloitte LLP to provide independent auditing services.

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



Lindsay Howard
Director
31 October 2016

Independent Auditor's report

to the members of EnergyMGT UK Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENERGMGT UK LIMITED

We have audited the financial statements of EnergyMGT UK Limited for the year ended 31 December 2015 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (UK GAAP), including FRS 101 'Reduced Disclosure Framework'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

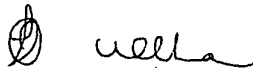
Independent Auditor's report

to the members of EnergyMGT UK Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report or from the requirement to prepare a Strategic Report.



Lee Welham, FCA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge, United Kingdom

31 October 2016

Profit and loss account

for the year ended 31 December 2015

	Notes	2015 £000s	2014 £000s
Turnover	5	-	194
Cost of sales		-	-
Gross profit		-	194
Administrative expenses		-	(195)
Operating profit/(loss)	6	-	(1)
Interest receivable and similar income	8	2	-
Profit/(loss) on ordinary activities before taxation		2	(1)
Tax credit on ordinary activities	10	112	-
Profit/(loss) for the year attributable to owners of the parent		114	(1)

There is no material difference between the profit/(loss) on ordinary activities before taxation and the profit/(loss) for the financial year stated above and their historical cost equivalents.

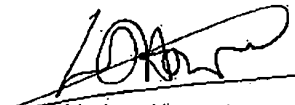
No separate statement of comprehensive income has been presented because the company has no other comprehensive income other than the profit for the year.

Balance sheet

at 31 December 2015

	Notes	2015 £000s	2014 £000s
Current assets and liabilities			
Debtors	11	-	1
Creditors: amounts falling due within one year	12	(98)	(213)
Net current liabilities		(98)	(212)
Total liabilities less current liabilities		(98)	(212)
Net liabilities		(98)	(212)
Capital and reserves			
Share capital	13	1	1
Profit and loss account		(99)	(213)
Total shareholders' deficit attributable to owners of the parent		(98)	(212)

The financial statements on pages 5 to 13 were approved by the board of directors on 7 October 2016 and signed on its behalf by:


Lindsay Howard
Director

Statement of changes in equity

at 31 December 2015

	Share capital £000s	Profit and loss account £000s	Total £000s
At 1 January 2014	1	(212)	(211)
Loss for the year attributable to owners of the parent	—	(1)	(1)
At 31 December 2014	1	(213)	(212)
Profit for the year attributable to owners of the parent	—	114	114
At 31 December 2015	1	(99)	(98)

Notes to the financial statements

at 31 December 2015

1. General information

EnergyMGT UK Limited is a limited company which is incorporated and domiciled in England. The nature of the company's operations and its principal activities are set out in the directors' report on page 1. The registered address of the company is Honeywell House Skimped Hill Lane, Bracknell, Berkshire, United Kingdom, RG12 1EB.

The immediate parent undertaking is Energy ICT Limited, a company incorporated in England and Wales.

The company's results are included in the consolidated financial statements of Honeywell International Inc., a company registered in the England and Wales, which is the smallest and largest group to consolidate these financial statements. The financial statements of Honeywell International Inc. are publicly available and can be obtained from Corporate Publications, PO Box 2245, Morristown, New Jersey 07962-2245, USA or from the Internet at www.honeywell.com.

The accounting policies that have been applied consistently throughout the year are set out below:

2. Accounting policies

Basis of preparation

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the year ended 31 December 2015 the company has undergone transition from reporting under UK GAAP to FRS 101 as issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 as issued by the Financial Reporting Council.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("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.

In these financial statements, the company has adopted FRS 101 for the first time. In the transition to FRS 101, the company has applied IFRS 1 First-time Adoption of International Financial Reporting Standards whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has affected the reported financial position and financial performance of the company is provided in note 14.

These financial statements are prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The company has transitioned to FRS 101 from previously extant UK Generally Accepted Accounting Practice for all periods presented. The impact of the transition is explained in note 14. The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2015.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of paragraph 79(a)(iv) of IAS 1, paragraph 73(e) of IAS 16 Property, Plant, Equipment and paragraph 118(e) of IAS 38 Intangible Assets and paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 40A to 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors; 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.

Notes to the financial statements

at 31 December 2015

2. Accounting policies (continued)

Going concern

The ultimate parent company, Honeywell International Inc. has indicated that it will provide financial support to the company for at least one year from the date of signing these financial statements. The directors, having taken into account both the future trading of the company and the financial support from the ultimate parent undertaking, have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Turnover and revenue recognition

Turnover represents the value, net of value added tax, of goods and services supplied to customers during the year.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Type of sale

Data management services

Recognition

To the extent that the Company obtains the right to consideration in exchange for its performance.

Foreign currency translation

The company's financial statements are presented in Sterling, which is also the company's functional currency.

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Notes to the financial statements

at 31 December 2015

2. Accounting policies (continued)

Financial assets - recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The company determines the classification of its financial assets at initial recognition. Amounts owed by group undertakings have been classified as loans and receivables. The company has no other financial assets.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance revenue in the profit and loss account.

Impairment of financial assets

The company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

An allowance for doubtful debts is made against trade debtors that exceed 180 days past due date. Losses arising from impairment are recognised in the profit and loss account in administrative expenses.

Provisioning made against debts subsequently settled after 180 days past due is treated as a change in accounting estimate and released to profit or loss.

Derecognition of financial assets

Financial assets are derecognised when (i) the rights to receive cash flows from the asset have expired or (ii) 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

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Thereafter, the company's trade creditors and amounts owed to group undertakings are carried at amortised cost using the EIR method.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account 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 and similar charges in profit or loss.

Pensions

Defined contribution plans are externally funded, with the assets of the plan held separately from those of the company in separate trustee administered funds. Contributions to such plans are charged to the profit and loss account as they become payable.

Notes to the financial statements

at 31 December 2015

3. Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

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

4. New and amended standards and interpretations

The company applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2015. The company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

5. Turnover

	2015 £000s	2014 £000s
<i>Analysis of turnover by geographical market</i>		
United Kingdom	-	121
Europe	-	21
North America	-	52
Total turnover	-	194

Analysis of turnover by category

	2015 £000s	2014 £000s
Data management services	-	194

6. Operating profit/(loss)

This is stated after charging:

	2015 £000s	2014 £000s
<i>Depreciation and amortisation</i>		
Tangible assets – owned	-	2
Loss on foreign exchange	-	4

7. Auditor's remuneration

The remuneration of the statutory auditor is further analysed as follows:

	2015 £000s	2014 £000s
Audit of the financial statements	1	-

The fees payable to the Company's auditor for the audit of the financial statements for the year ended 31 December 2015 were borne by a fellow Group undertaking.

8. Interest receivable and similar income

	2015 £000s	2014 £000s
Interest receivable	2	-

Notes to the financial statements

at 31 December 2015

9. Employees and directors

<i>Staff costs</i>	<i>2015</i>	<i>2014</i>
	<i>£000s</i>	<i>£000s</i>
Wages and salaries	-	144
Social security costs	-	16
Contributions to defined contribution pension plans	-	2
Total staff costs	-	162

	<i>2015</i>	<i>2014</i>
	<i>£000s</i>	<i>£000s</i>

Outstanding contributions for defined contribution plans at the end of the year:

The average monthly number of employees during the year was made up as follows:

(Including executive directors)

	<i>2015</i>	<i>2014</i>
	<i>No.</i>	<i>No.</i>
Production	-	5
Distribution	-	1
Total monthly average number of employees	-	6

In 2015, all directors (2014: all directors) were remunerated by other group companies for their services to the group as a whole. No charge has been made to the company as in the opinion of the directors it is not possible to determine with reasonable accuracy the split by company.

10. Taxation

(a) Tax charged in the profit and loss account

<i>Current income tax:</i>	<i>2015</i>	<i>2014</i>
	<i>£000s</i>	<i>£000s</i>
UK corporation tax on profit for year	-	-

(b) Reconciliation of the total tax charge

The tax expense in the profit and loss account for the year is higher/lower to the standard rate of corporation tax in the UK of 20% (2014: 21%). The differences are reconciled below:

	<i>2015</i>	<i>2014</i>
	<i>£000s</i>	<i>£000s</i>
Profit/(loss) on ordinary activities before income tax	2	(1)
Effective tax calculated at 20.25% (2014: 21.50%)	20.25	21.50
Profit/(loss) on ordinary activities multiplied by the effective rate	-	-
<i>Effects of:</i>		
Income tax credit	112	-
Total tax credit reported in the profit and loss account	112	-

(c) Change in corporation tax rate

The standard rate of UK corporation tax reduced from 21% to 20% on 1 April 2015. The Finance (No.2) Act 2015 includes legislation which will reduce the rate further to 19%, from 1 April 2017, and to 18%, from 1 April 2020. The Finance (No.2) Act 2015 was substantively enacted on 26 October 2015. These reductions will reduce the company's future tax charge accordingly.

Notes to the financial statements

at 31 December 2015

11. Debtors

	2015 £000s	2014 £000s
<i>Amounts falling due within one year</i>		
Other debtors	-	1

12. Creditors

	2015 £000s	2014 £000s
<i>Amounts falling due within one year</i>		
Amounts owed to group undertakings	98	213

All amounts are unsecured.

13. Share capital

	2015 £000s	2014 £000s
<i>Allotted, called up and fully paid</i>		
1,000 ordinary shares of £1 each	1	1

14. Transition to FRS 101

For all periods up to and including the year ended 31 December 2014, the company prepared its financial statements in accordance with previously extant United Kingdom Generally Accepted Accounting Practice (UK GAAP). These financial statements, for the year ended 31 December 2015, are the first the company has prepared in accordance with FRS 101.

Accordingly, the company has prepared individual financial statements which comply with FRS 101 applicable for periods beginning on or after 1 January 2014 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 2014, 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 2014 prepared under previously extant UK GAAP and its previously published UK GAAP financial statements for the year ended 31 December 2014.

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 balance sheet at the date of transition.

On transition to FRS 101, no adjustments were required to the previous UK GAAP's reported opening balance sheet position as at 1 January 2014.