

EnergyMGT UK Limited

Annual Report and Financial Statements For the year ended 31 December 2018

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COMPANIES HOUSE

Company Information

Officers and professional advisors

Directors

Elizabeth Earle
Michele Hudson
Allan Richards

Statutory auditor

Deloitte LLP
Saltire Court,
20 Castle Terrace,
Edinburgh,
EH1 2DB
United Kingdom

Registered address

200 Berkshire Place,
Winnersh Triangle,
Berkshire,
RG41 5RD
United Kingdom

Directors' report

for the financial year ended 31 December 2018

The directors present their annual report and audited financial statements of the company for the financial year ended 31 December 2018.

Principal activities

The principal activity of the company is to act as a limited purpose entity for the purposes of the spin off transactions carried out by the company's former ultimate parent company Honeywell International Inc. into Resideo Technologies Inc.

Business review and future developments

No strategic report is provided as these financial statements have been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

The directors intend that the company will cease to be a limited purpose company and will become dormant in the near future.

During the current year, the company's former ultimate parent company Honeywell International Inc. carried out a divestiture exercise to spin off its Homes products portfolio and ADI global distribution business into Resideo Technologies Inc. As a result of the spin-off activity, the company issued 100 ordinary shares of £1 each at a premium of £97,900. Further, the company settled the intercompany payable it owed to Energy ICT Limited amounting to £98,000. The company, thus, ceased to be dormant in accordance with the Companies Act 2006.

Results and dividends

The company did not trade during the year and consequently made no profit or loss.

The company did not declare a dividend in the current year (2017: £nil).

Financial risk management, objectives and policies

The company is not exposed to any significant financial risks.

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:

Elizabeth Earle (appointed on 15 March 2019)
Michele Hudson (appointed on 30 September 2018)
Allan Richards (appointed on 26 October 2018)
Lindsay Howard (resigned on 30 September 2018)

Directors' indemnities

Pursuant to the company's articles of association, the directors were throughout the year ended 31 December 2018 and are at the date of this report entitled to a qualifying indemnity provision as defined in section 234 of the Companies Act 2006.

Going concern

The ultimate parent company, Resideo Technologies 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 the ability of the ultimate parent company to provide financial support, 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.

Directors' report

for the financial year ended 31 December 2018

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 they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

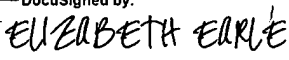
Events since the balance sheet date

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

Independent auditor

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

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

DocuSigned by:

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Elizabeth Earle
Director

October 16, 2019

Directors' responsibilities statement

for the financial year ended 31 December 2018

The directors are responsible for preparing the annual 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 102 "The financial reporting standard applicable in the UK and Republic of Ireland".

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 year.

In preparing those 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;
- 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.

To assist them in discharging these responsibilities, the directors have engaged a number of third party providers including an accounting firm who is engaged to prepare the company's financial statements, as well as Resideo Technologies Inc.'s own finance shared service centre located in Bengaluru. Resideo Technologies Inc. operates a country controllership model under which an identified senior finance representative is responsible for all of the UK and Ireland entities, supported by a wider finance team and under the supervision of the Regional Finance Leader for EMEA. The directors have ensured that adequate processes are in place to maintain oversight and supervision over these various providers and processes and to ensure there is clear linkage with the company's activities.

Independent auditor's report

To the members of EnergyMGT UK Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of EnergyMGT UK Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The financial reporting standard applicable in the UK and Republic of Ireland" and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 9.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The financial reporting standard applicable in the UK and Republic of Ireland". (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council (FRC's) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Independent auditor's report

To the members of EnergyMGT UK Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

EnergyMGT UK Limited
Registration number: 03879511

Independent auditor's report

To the members of Elmwood Sensors Limited

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

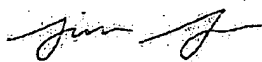
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law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

We have nothing to report in respect of these matters.

Given the company was dormant in the prior year under s.480 of the Companies Act 2006, the prior year balances are unaudited.

Use of our report

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.



James Boyle CA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Edinburgh, United Kingdom
15 October 2019

Profit and loss account

for the financial year ended 31 December 2018

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 profit and loss account and statement of comprehensive income has been presented.

On behalf of the board

DocuSigned by:
ELIZABETH EARLE
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Elizabeth Earle
Director

October 16, 2019

Balance Sheet
as at 31 December 2018

	Notes	2018 £s	Unaudited 2017 £s
Creditors: amounts falling due within one year	6	-	(98,000)
Net current liabilities		-	(98,000)
Total assets less current liabilities		-	(98,000)
Net liabilities		-	(98,000)
Capital and reserves			
Called-up share capital	7	1,100	1,000
Share premium account	8	97,900	-
Profit and loss account		(99,000)	(99,000)
Total shareholders' deficit		-	(98,000)

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

DocuSigned by:

ELIZABETH EARLE

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Elizabeth Earle
Director

October 16, 2019

Statement of changes in equity
for the financial year ended 31 December 2018

	<i>Called-up share capital</i>	<i>Share Premium account</i>	<i>Profit and loss account</i>	<i>Total</i>
	£s	£s	£s	£s
At 1 January 2017 <i>Unaudited</i>	1,000	-	(99,000)	(98,000)
Result for the financial year <i>Unaudited</i>	-	-	-	-
At 31 December 2017 <i>Unaudited</i>	1,000	-	(99,000)	(98,000)
Result for the financial year	-	-	-	-
Shares issued during the year (Note 7 & 8)	100	97,900	-	98,000
At 31 December 2018	1,100	97,900	(99,000)	-

Notes to the financial statements

for the financial year ended 31 December 2018

1. General information

EnergyMGT UK Limited is a private company limited by shares which is incorporated in the 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 directors' report on page 1.

On 17 October 2018, the company's shares were transferred from Energy ICT Limited to Ademco 2 Limited. As a result, the immediate parent undertaking of the company is Ademco 2 Limited, a company incorporated in the United Kingdom. The registered address of the parent is 200 Berkshire Place, Winnersh Triangle, Berkshire, RG41 5RD.

The company's results are included in the consolidated financial statements of Resideo Technologies Inc., a company registered in the USA. Resideo Technologies 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 251 Little Falls Drive, Wilmington DE 19808, USA. The financial statements of Resideo Technologies Inc. are publicly available and can be obtained from Internet at www.resideo.com.

2. Significant accounting policies

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

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 102 'The financial reporting standard applicable in the UK and Republic of Ireland'.

In the year ended 31 December 2018, the company has undergone transition from reporting under previously extant United Kingdom generally accepted accounting practice (UK GAAP) to FRS 102 as issued by the Financial Reporting Council. The company has adopted FRS 102 for the first time. An explanation of how the transition to FRS 102 has affected the reported financial position and financial performance of the company is provided in note 9.

These financial statements are prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and FRS 102. The company's financial statements are presented in Sterling. The company has taken advantage of the following disclosure exemptions under FRS 102:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7;
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a) (iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A

Going concern

The ultimate parent company, Resideo Technologies 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 the ability of the ultimate parent company to provide financial support, 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.

Notes to the financial statements*for the financial year ended 31 December 2018**Financial instruments*

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

*Financial liabilities - recognition and measurement**Initial recognition and measurement*

Basic financial liabilities, including bank loans, amounts owed to group undertakings that are classified as debt, 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 receipts discounted at a market rate of interest.

The company's financial liabilities comprise of loans and borrowings.

Subsequent measurement

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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.

De-recognition

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 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.

3. Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors are 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 estimates and assumptions made that have a significant effect on amounts recognised in the financial statements.

4. Auditor's remuneration

Fees payable to the auditor, Deloitte LLP, amounted to £4,000 (2017: £Nil) for the audit of the financial statements. This cost was incurred by Ademco 1 Limited, a fellow UK subsidiary of Resideo Technologies Inc., and it is not recharged to the company.

There are no non audit services fees payable to the auditor.

Notes to the financial statements*for the financial year ended 31 December 2018***5. Employees and directors**

In 2018, all directors (2017: all directors) did not undertake any relevant services to the entity and were remunerated by other group companies for their services to the group as a whole.

The company has no other employees (2017: no other employees).

6. Creditors: amounts falling due within one year

	<i>Unaudited</i>	
	2018	2017
	£s	£s
Amounts owed to group undertakings	-	98,000
<i>Total amount owed to creditors</i>	<u>-</u>	<u>98,000</u>

All amounts owed to group undertakings are payable on demand, unsecured and non-interest bearing

7. Called-up share capital

	<i>Unaudited</i>	
	2018	2017
	£s	£s
<i>Authorised and allotted, called-up and fully paid</i>		
1,000 (2017: 1,000) ordinary shares of £1 each at 1 January	1,000	1,000
100 ordinary shares issued of £1 each	100	-
1,100 (2017: 1,000) ordinary shares of £1 each at 31 December	<u>1,100</u>	<u>1,000</u>

On 28 September 2018 the company issued 100 shares of £1 each at a premium of £97,900.

On 17 October 2018, the company's shares were transferred from Energy ICT Limited to Ademco 2 Limited. As a result, the immediate parent undertaking of the company is Ademco 2 Limited.

8. Share premium account

	<i>Unaudited</i>	
	2018	2017
	£s	£s
<i>Balance at 1 January</i>	-	-
Premium arising on issue of equity shares	97,900	-
<i>Balance at 31 December</i>	<u>97,900</u>	<u>-</u>

On 28 September 2018, the company issued 100 shares of £1 each at a premium of £97,900.

Notes to the financial statements

for the financial year ended 31 December 2018.

9. Transition to accounting policies in accordance with FRS 102

For the financial year ended 31 December 2017, the company prepared its financial statements electing to retain its accounting policies from previously extant United Kingdom generally accepted accounting practice (UK GAAP) until it incurred new transactions and was no longer dormant. These financial statements, for the year ended 31 December 2018, are the first the company has prepared in accordance with FRS 102 "The financial reporting standard applicable in the UK and Republic of Ireland" implementing the new accounting policies contained within this standard.

On implementing the accounting policies of FRS 102, no adjustments were required to the previous UK GAAP reported balance sheet as at 31 December 2017.