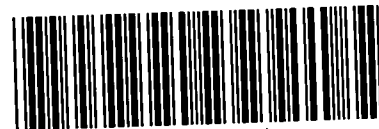


Registered Number: 9187607

Johnson Controls Commercial UK Ltd  
Annual report and financial statements  
for the year ended 30 September 2017

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# **Johnson Controls Commercial UK Ltd**

## **Annual report and financial statements for the year ended 30 September 2017**

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# Johnson Controls Commercial UK Ltd

## Strategic report for the year ended 30 September 2017

The directors present their strategic report on the company for the year ended 30 September 2017.

### Results

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

The loss for the financial year ended 30 September 2017 was \$13,995 (2016: \$15,297) due to the recognition of impairments of investments. As at the financial year end the company had net assets of \$46,500,937 (2016: \$1,686,891) due to additions made to investments during the year.

### Review of business and future developments

The activities of the company are those of a holding company, investing in companies around the world. The company engages in investment activities which are, by their nature, non-recurrent events. The company will continue to monitor each investment it holds together with any potential opportunities as they arise.

### Key performance indicators (KPIs)

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

### Principal risk and uncertainties

The principal risks and uncertainties of the company relate to the performance of its subsidiary companies. The director has assessed this risk to be minimal due to group policy which requires risk management and operational policies and procedures to be implemented in all areas of business.

On behalf of the Board



M Ayre

**Director**

Date: 25 July 2018

# Johnson Controls Commercial UK Ltd

## Directors' report for the year ended 30 September 2017

The directors presents their report and the audited financial statements of the company for the year ended 30 September 2017.

### Future developments

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

### Dividends

The directors do not recommend the payment of a dividend (2016: \$nil).

### Financial risk management

#### *Credit risk*

The company is not exposed to any credit risk other than in respect of inter-company balances within the Johnson Controls International plc group. The company does not have an external customer base. The company uses financial institutions authorised by Johnson Controls International plc who actively manage the global banking facilities. All cash held on deposit is pooled at a European level to mitigate risk.

#### *Exchange rate risk*

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

#### *Price risk*

The directors do not consider that the company's operations expose it to any price risk.

#### *Liquidity and interest rate risk*

Cash balances held with external institutions form part of the Johnson Controls International plc group global cash pool arrangement which minimises any interest rate exposure. If funding is required then this is achieved by either an internal loan from a Johnson Controls International plc group company or through cash pooling arrangements.

### Directors

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

M Ayre

J De Waele                      resigned 14 November 2017

B Stief                              resigned 20 January 2017

P Schieser                      appointed 14 November 2017

### Director's indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity policy, held by the group, was in force throughout the last financial year and is currently in force. The group also purchased and maintained throughout the financial year Director's and Officers' liability insurance in respect of itself and its directors.

# Johnson Controls Commercial UK Ltd

## Directors' report for the year ended 30 September 2017 (cont'd)

### Statement of director's responsibilities

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Disclosure of information to auditors

Each of the persons who are directors at the date of approval of this report confirms that:

- so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has 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.

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

### 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 Ayre  
**Director**

Date: 25 July 2018

# Johnson Controls Commercial UK Ltd

## Independent auditors' report to the members of Johnson Controls Commercial UK Ltd

### Report on the audit of the financial statements

#### Opinion

In our opinion, Johnson Controls Commercial UK Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Statement of financial position as at 30 September 2017; the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

# Johnson Controls Commercial UK Ltd

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

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### *Strategic report and Directors' report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 30 September 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

### Responsibilities for the financial statements and the audit

#### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

# Johnson Controls Commercial UK Ltd

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

### *Auditors' responsibilities for the audit of the financial statements*

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Other required reporting**

#### **Companies Act 2006 exception reporting**

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility



**Michael Coffin (Senior Statutory Auditor)**  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Southampton  
25 July 2018



# Johnson Controls Commercial UK Ltd

## Statement of comprehensive income for the year ended 30 September 2017

	Note	2017 \$	2016 \$
Administrative expenses		(29,558)	(15,297)
<b>Operating loss</b>		<b>(29,558)</b>	<b>(15,297)</b>
Income from Investments	5	14,305,061	-
Impairment of Investments	11	(14,290,222)	-
Interest receivable and similar income	6	11,381	-
Interest payable and similar expenses	7	(10,657)	-
<b>Loss before taxation</b>	8	<b>(13,995)</b>	<b>(15,297)</b>
Tax on loss	10	-	-
<b>Loss for the financial year</b>		<b>(13,995)</b>	<b>(15,297)</b>
<b>Total comprehensive expense for the year</b>		<b>(13,995)</b>	<b>(15,297)</b>

All results derive from continuing operations.

# Johnson Controls Commercial UK Ltd

## Statement of financial position as at 30 September 2017

	Note	2017 \$	2016 \$
<b>Fixed assets</b>			
Investments	11	34,391,563	1,709,688
<b>Current assets</b>			
Debtors	12	-	100
Cash at bank		12,116,237	-
		12,116,237	100
<b>Creditors – amounts falling due within one year</b>	13	(6,863)	(22,897)
<b>Net current assets/(liabilities)</b>		12,109,374	(22,797)
<b>Total assets less current liabilities</b>		46,500,937	1,686,891
<b>Capital and reserves</b>			
Called up share capital	14	46,296,298	1,709,788
Accumulated losses		204,639	(22,897)
<b>Total equity</b>		46,500,937	1,686,891

The notes on pages 10 to 17 form an integral part of these financial statements.

The financial statements on pages 7 to 17 were approved by the Board of directors on 25 July 2018 and were signed on its behalf by:



M Ayre  
**Director**  
 Johnson Controls Commercial UK Ltd  
 Registered number: 9187607

# Johnson Controls Commercial UK Ltd

## Statement of changes in equity for the year ended 30 September 2017

	Note	Called up share capital \$	Accumulated losses \$	Total equity \$
Balance as at 1 October 2015		1,709,788	(7,600)	1,702,188
Loss for the financial year		-	(15,297)	(15,297)
Balance as at 30 September 2016		1,709,788	(22,897)	1,686,891
Cancellation of share capital	14	(1,709,788)	241,531	(1,468,257)
Issue of share capital	14	46,296,298	-	46,296,298
Loss for the financial year		-	(13,995)	(13,995)
<b>Balance as at 30 September 2017</b>		<b>46,296,298</b>	<b>204,639</b>	<b>46,500,937</b>

Accumulated losses represents accumulated comprehensive expense for the year and prior years.

# Johnson Controls Commercial UK Ltd

## Notes to the financial statements for the year ended 30 September 2017

### 1 General information

Johnson Controls Commercial UK Ltd ("the company") is a private company limited by shares, domiciled and incorporated in England. The address of the company's registered office is 9/10 The Briars, Waterberry Drive, Waterlooville, Hampshire, PO7 7YH.

The company's principal activities are that of a holding company.

### 2 Statement of compliance

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and in accordance with the Companies Act 2006.

### 3 Summary of significant accounting policies

The principal accounting policies, which have been applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has applied FRS 102 in these financial statements.

#### Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention.

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 15.

- 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 and hedging fair value changes recognised in the statement of comprehensive income.

# Johnson Controls Commercial UK Ltd

## Notes to the financial statements for the year ended 30 September 2017 (cont'd)

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

#### **Group financial statements**

The company is exempt from the requirement to prepare and deliver consolidated financial statements under the provisions of Section 400 of the Companies Act 2006 as it is a wholly owned subsidiary undertaking of Johnson Controls International plc, which is registered in Cork, Ireland and which itself prepares consolidated financial statements which are publicly available and can be obtained from the address given in note 15. Accordingly consolidated financial statements have not been prepared and the financial information presented for the current year and prior period is for the company as an individual undertaking.

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

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

#### **Foreign currencies**

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

#### **Taxation**

The tax 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 profits for the year at the standard effective rate of corporation tax in the UK.

##### *Deferred tax*

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

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

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

# Johnson Controls Commercial UK Ltd

## Notes to the financial statements for the year ended 30 September 2017 (cont'd)

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

#### **Investments**

Investments are stated at cost plus incidental expenses less provisions for impairment in value. The company reviews the carrying value of investments when there has been an indication of potential impairment. If it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the statement of comprehensive income.

The calculations for determining the carrying value of investments involves the use of estimates including projected future cash flows and other future events.

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

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

#### **Financial instruments**

##### *Financial assets*

Basic financial assets, including amounts owed by fellow group undertakings, other receivables and cash and bank balances are initially measured at the transaction price. Where the arrangement with another debtor constitutes a financing transaction, the debtor is initially measured at the present value of future receipts discounted at a market rate of interest for a similar debt instrument.

Such assets are subsequently carried at amortised cost using the effective interest rate method and are assessed annually for evidence of impairment. Any impairment loss or reversal of an impairment loss is recognised in the statement of comprehensive income.

##### *Financial liabilities*

Basic financial liabilities, including trade and other payables, bank overdrafts and loans from fellow group undertakings, are initially recognised at transaction price. Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument. Other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Such debt instruments are subsequently carried at amortised cost using the effective interest rate method.

#### **Related party transactions**

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

### 4 Critical accounting judgements and estimated uncertainty

#### **Critical accounting estimates and assumptions**

The company makes estimates and assumptions concerning the future. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying value of assets and liabilities with the next financial year are addressed below.

#### **Impairment review of fixed asset investments**

As per the accounting policy fixed asset investments are reviewed for indicators of impairment. The value-in-use (VIU) of relevant groups of income generating units (IGUs) for impairment testing purposes is determined using calculations of cash flow projections from the financial plans approved by the Board. These calculations involve the use of estimates including projected future cashflows and other future events.

# Johnson Controls Commercial UK Ltd

## Notes to the financial statements for the year ended 30 September 2017 (cont'd)

### 5 Income from investments

	2017	2016
	\$	\$
Dividend received from Beta Naco Limited	8,000,001	-
Dividend received from Air System Components Investments China Limited	6,305,060	-
	14,305,061	-

### 6 Interest receivable and similar income

	2017	2016
	\$	\$
Bank Interest receivable	11,381	-

### 7 Interest payable and similar expenses

	2017	2016
	\$	\$
Bank Interest payable	10,657	-

### 8 Loss before taxation

	2017	2016
	\$	\$
<b>Loss before taxation is stated after (crediting)/charging:</b>		
Foreign exchange difference	(10,989)	63
Auditors' remuneration		
- audit services	6,863	15,014

# Johnson Controls Commercial UK Ltd

## Notes to the financial statements for the year ended 30 September 2017 (cont'd)

### 9 Directors and employees

The directors received no remuneration (2016: £nil) in respect of their services to the company during the year as their services as directors of the company were incidental to the other services within the Johnson Controls group of companies. Directors' remuneration costs are borne by other members of the Johnson Controls group of companies. The average monthly number of employees (excluding directors) was nil (2016: nil).

### 10 Tax on loss

There is no tax charge for the current or the prior financial year.

#### Reconciliation of tax charge

The tax assessed for the year is higher (2016: higher) than the standard rate of corporation tax in the United Kingdom of 19.5% for the year ended 30 September 2017 (2016: 20%). The differences are explained below:

	2017 \$	2016 \$
<b>Loss before taxation</b>	<b>(13,995)</b>	<b>(15,297)</b>
Loss multiplied by standard rate of corporation tax of 19.5% (2016: 20%)	<b>(2,729)</b>	<b>(3,059)</b>
Effects of:		
Income not subject to tax	<b>(2,789,487)</b>	-
Expenses not deductible for tax purposes	<b>2,786,593</b>	44
Group relief surrendered for nil consideration	<b>5,623</b>	3,015
<b>Total tax charge for the year</b>	<b>-</b>	<b>-</b>

Finance Act 2015 (No.2) was substantively enacted on the 26 October 2015 and reduced the main rate of corporation tax in the UK to 19% from 1 April 2017 and to 18% from 1 April 2020. Finance Act 2016 was substantively enacted on 6 September 2016 and reduced the main rate of corporate tax in the UK to 17% with effect from 1 April 2020.



# Johnson Controls Commercial UK Ltd

## Notes to the financial statements for the year ended 30 September 2017 (cont'd)

### 11 Investments

	Total \$
<b>Shares in subsidiary undertakings</b>	
<b>Cost</b>	
At 1 October 2016	1,709,688
Additions	48,867,037
Disposals	(1,894,940)
<b>At 30 September 2017</b>	<b>48,681,785</b>
<b>Provision for Impairment</b>	
Additions	14,290,222
<b>At 30 September 2017</b>	<b>14,290,222</b>
<b>Net book amount</b>	
<b>At 30 September 2017</b>	<b>34,391,563</b>
At 30 September 2016	1,709,688
<b>Analysed as:</b>	<b>\$</b>
Enertec, Venezuela S.R.L	1,709,688
Beta Naco Limited	27,036,931
Air System Components Investments China Limited	3,305,777
JC Malaysia Holding Sdn Bhd	2,339,167
<b>At 30 September 2017</b>	<b>34,391,563</b>

On 28 August 2017 the company acquired 100% of the share capital of Beta Naco Limited for \$33,365,028 and Air System Components Investments China Limited for \$12,931,270 in exchange for issuing 46,296,298 ordinary A shares to fellow group companies. Stamp duty of \$231,572 was payable to HMRC on this transaction, this was settled during the year.

On 8 September 2017 Air System Components Investments China Limited distributed \$1,894,940 to the company as a return of share capital.

On 25 September the company acquired the economic and beneficial interest in JC Malaysia Holding Sdn Bhd for \$2,339,167.

As at 30 September 2017 an impairment charge of \$14,290,222 has been recognised; \$6,494,960 in relation to Beta Naco Limited and \$7,795,262 in relation to Air System Components Investments China Limited reflecting the value of the net assets in the underlying companies.

At 30 September 2017 the company had the following investments in subsidiary undertakings:

Company	Class of shares	Proportion of nominal value of shares issued held by:		Registered Office
		The company	Other group companies	
Enertec, Venezuela S.R.L	Ordinary	100%	-	Zona Industrial Carabobo Parcelas 1 y2 1era., Transversal, Edificio Fulgo, Venezuela

# Johnson Controls Commercial UK Ltd

## Notes to the financial statements for the year ended 30 September 2017 (cont'd)

### 11 Investments (Cont)

Company	Class of shares	Proportion of nominal value of shares issued held by:		Registered Office
		The company	Other group companies	
Beta Naco Limited	Ordinary	100%	-	9/10 The Briars, Waterberry Drive, Waterloooville, UK
Air System Components Investments China Limited	Ordinary	100%	-	9/10 The Briars, Waterberry Drive, Waterloooville, UK
JC Malaysia Holding Sdn Bhd		100% beneficial interest	100% Legal title	Level 21, suite 21.01, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, KL
York (Malaysia) Manufacturing Sdn. Bhd.	Ordinary	-	100%	Long Kawat (Phase III) Jalan Pengapit 15/19 P.O. Box 7196, Shah Alam, Selangkor, KL
York (Malaysia) Sales & Serv Sdb Bhd.	Ordinary	-	100%	Level 21, Suite 21.01, The Gardens South Tower Mid Valley City, Lingkaran Syed Putra, KL

In the director's opinion, the carrying value of the investments, net of impairment provisions, is supported by the value of the underlying assets of each of the businesses or the projected earnings of the investment together with its subsidiaries.

### 12 Debtors

	2017	2016
	\$	\$
Amounts owed by group undertakings	-	100

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

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

	2017	2016
	\$	\$
Bank overdraft	-	7,969
Trade creditors	-	219
Accruals and deferred income	6,863	14,709
	<b>6,863</b>	<b>22,897</b>

Bank overdrafts are annual unsecured facilities, subject to review at various dates during 2017 and are repayable on demand. The average interest rate on bank overdrafts in the prior year was 1.2% plus the Bank of England base rate of 0.25%.

# Johnson Controls Commercial UK Ltd

## Notes to the financial statements for the year ended 30 September 2017 (cont'd)

### 14 Called up share capital

	2017 \$	2016 \$
<b>Authorised, allotted and fully paid</b>		
1,709,788 ordinary shares of \$1 each	-	1,709,788
46,296,298 (2016: nil) ordinary A shares of \$1 each	<b>46,296,298</b>	-
	<b>46,296,298</b>	1,709,788

On 28<sup>th</sup> August 2017, the company issued 46,296,298 ordinary A \$1 shares at par in return for the contribution of equitable interest in Air Systems Components Investments China Limited and Beta Naco Limited.

On 27<sup>th</sup> September 2017 the company cancelled 1,709,788 ordinary shares of \$1 each by a return to the shareholder of \$1,468,257 and an addition to distributable reserves of \$241,531.

#### Ordinary shares

Each ordinary share and ordinary A shares has full rights in the company with respect to voting, dividends and distributions.

### 15 Ultimate parent undertaking and controlling party

The immediate parent undertaking and controlling party is QS0004 SARL.

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 2017. The consolidated financial statements of Johnson Controls International plc are available from:

Johnson Controls International plc  
1 Albert Quay  
Cork  
Ireland