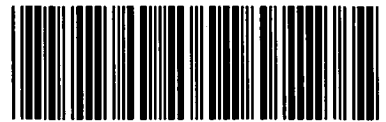


Registered Number 01952517

Tyco Fire & Integrated Solutions (UK) Limited
Annual report and financial statements
for the year ended 30 September 2022

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TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Annual report and financial statements for the year ended 30 September 2022

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TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Strategic report for the year ended 30 September 2022

The directors present their Strategic report on the company for the year ended 30 September 2022.

Principal activities of the company

The principal activity of the company is the design, assembly, installation and service of fire protection systems. The directors do not consider, at the date of this report, any likely major changes in the company's activities in the next year.

Review of business and future developments

The results for the financial year and the financial position of the company are shown in the accompanying financial statements. Turnover increased to £177.9 million (2021: £164.1 million), and gross profit increased to £28.8 million (2021: £26.7 million). Operating loss increased from £3.8 million in 2021 to an operating loss of £7.5 million in 2022. The loss before taxation for the financial year ended 30 September 2022 was £7.2 million (2021: profit of £122.3 million) largely due to last year income from shares in group undertaking and gain on disposal which did not occur this year. Net assets as at 30 September 2022 was £9.2 million (2021: £15.7 million).

Tyco Fire & Integrated Solutions (UK) Limited operates as part of Johnson Controls International plc's (JCI) Building Technologies & Solutions division in Europe, Middle East and Africa division, and benefits from research and development conducted primarily in other JCI companies.

JCI manages its business on a divisional basis. For this reason the directors of the company do not believe that further key performance indicators are necessary or appropriate for an understanding of the development, performance or position of the business. The performance of the Europe, Middle East and Africa division, which includes the company, is discussed in the Johnson Controls International plc's 2022 Annual Report, which does not form part of this report.

Business environment and strategy

The market continues to be highly competitive in all areas of operation of the company. The company will continue to focus on key account management of its customers, enabling it to retain contracts and secure additional project work. To meet the ever increasing expectations of customers and the market, the company plans to use condition based maintenance techniques within the existing service schedule to capture historical connected data that will focus service reporting in the future and to prolong asset life, reduce premature failure and increase equipment uptime. The company will also continue to use its knowledge, products, expertise and solutions to expand its installation base.

Principal risks and uncertainties

Any of the following could materially and adversely impact the results of operations of our business: competitive pressure in the company's key markets; delays or difficulties in delivering our products to customers that are not able to be recouped from them leading to loss-making or onerous contracts; the introduction of similar or superior technologies. The company responds by offering leading edge products and by providing a range of added-value services to its customers.

The following could also have an impact: financial instability or market declines of our major customers or component suppliers; a significant decline in the construction of new commercial buildings requiring interior control systems; changes in energy costs or governmental regulations that would decrease the incentive for customers to update or improve their interior control systems and increased energy efficiency legislation requirements. The company responds by continuing to focus on key account management of its customers and by using its knowledge, products, expertise and solutions to expand its installation base.

In addition, the performance of the company's subsidiary companies and any impairment to the investment values of these subsidiaries could have an impact. The company responds by completing an annual impairment trigger assessment. A more detailed assessment is carried out if a trigger is identified to mitigate the impairment risk to an acceptable level.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Strategic report for the year ended 30 September 2022 (cont'd)

Principal risks and uncertainties (cont'd)

The directors consider cybersecurity threats and incidents range from individual attempts to gain unauthorised access to IT systems to advanced persistent threats, directed at the company, our products, customers and/or third party service providers. The potential consequences of a material cybersecurity incident include financial loss, reputational damage, litigation with third parties, theft of intellectual property, fines levied by the authority, diminution in the value of investment in research and development and increased protection and remediation costs. This could adversely affect competitiveness and results of operations of the business.

The company deploys measures to deter, prevent, detect, respond to and mitigate these threats, including identity and access controls, data protection, product software designs, continuous monitoring of IT networks and systems and maintenance of backup and protective systems.

The business is directly impacted by the effects of climate change. The directors recognise that timely adoption of comprehensive energy and climate legislation will reduce economic and regulatory uncertainty and allow the company to better manage both risks and opportunities related to climate change. These uncertainties include emission reduction requirements, energy price volatility, energy-intensive materials pricing, and the impact of building efficiency codes, standards and incentives.

The highest priority action put in place by the group as a whole is to improve energy efficiency in buildings and vehicles which represent the fastest, cleanest and most cost-effective way to reduce greenhouse gas emissions. Our products and services involve promoting energy efficiency and fire protection in buildings; and helping our customers find ways to improve their energy consumption. This encourages consumer behaviour changes to better appreciate the benefits of such products and services. In addition the company continues to support a variety of market-based approaches to regulating carbon emission.

Legal risk

In the normal course of business, the company is subject to various legal proceedings and claims, including product and general liability matters, environmental matters, patent infringement claims, employment disputes, disputes on agreements and other commercial disputes. In an attempt to reduce this risk, the company's alarm monitoring agreements and other contracts contain provisions limiting the company's liability in such circumstances. Furthermore, the company has insurance arrangements with its ultimate parent entity in order to limit the liability payable by the company.

Further risks faced by the group are discussed in the Johnson Controls International Plc 2022 Annual Report, which does not form part of this report.

Financial risk management objectives and policies

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

Cash flow risk

The business operates primarily in the UK and has a large and diverse range of customers. It operates appropriate control over its debtor and creditor balances and therefore exposure to cash flow risk from realising its working capital is small.

Credit risk

The company's policy is that the credit-worthiness of any prospective client, contractor, subcontractor, vendor, joint venture partner or any entity engaging in an economic transaction with the company must be evaluated to ascertain whether it has the financial capacity to enter into and perform its obligations under such transactions. This process is undertaken to ensure from a financial standpoint that any third party has the financial stability and strength necessary to fulfil its commitments to the company. The extent of the credit evaluation must be commensurate with the level of risk associated with the inability of the counterparty to perform under the contract. The company's policy is to use financial institutions authorised by Johnson Controls International plc who actively manage the global banking facilities. All cash held on deposit is pooled at a European level to mitigate risk.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Strategic report for the year ended 30 September 2022 (cont'd)

Financial risk management objectives and policies (cont'd)

Exchange rate risk

Potential exposure to currency exchange rate fluctuations is managed internally within the group treasury function. The group enters into forward exchange contracts on behalf of the company to the value of its future multicurrency cash flows. Consequently exchange rate risk is not significant.

Price risk

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

Liquidity and interest rate risk

Cash balances held with external institutions form part of the Johnson Controls International plc group global cash pool arrangement. If company funding is required then this is achieved by either an internal loan from a Johnson Controls International plc group company or through cash pooling arrangements. As a result the interest rate risk is largely managed as there is no external funding requirement.

All group risk is closely managed by the corporate risk management team, which is controlled by the ultimate parent company Johnson Controls International plc.

Environmental matters, employees and social, community and human rights

The directors have considered the company's exposure to corporate and social responsibility and the company, as a JCI group subsidiary, recognises the importance of its environmental and corporate and social responsibilities and the safety of its employees and as such it operates in accordance with JCI policies, which are described on the JCI website, www.jci.com and are not included in this report.

Research and development

The company carries out research and development activities in relation to the development of new technologies and products. For this it receives income from other group companies, details of which are given in note 6.

Section 172(1) Statement

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this section 172 requires directors to have regard to, amongst other matters, the:

- likely consequences of any decisions in the long-term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- desirability of the company maintaining a reputation for high standards of business conduct; and
- need to act fairly, as between members of the company.

In discharging our section 172 duties, we have regard to the matters set out above. In addition, we also have regard to other factors which we consider relevant to the decision being made. Those factors, for example, include our relationship with our key stakeholders and society. By considering the company's purpose, vision and values together with its strategic priorities and having a process in place for decision making, we aim to make sure that our decisions are consistent and predictable.

Meetings are held periodically where the directors consider the company's activities and make decisions. As a part of those meetings, the directors receive information in a range of different formats to ensure that they have regard to section 172 matters when making relevant decisions.

The company's key stakeholders are its workforce, customers, suppliers, the local communities in which it operates, regulators, Government agencies, and non-governmental organisations. The views of and the impact of the company's activities on those stakeholders are an important consideration for the directors

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Strategic report for the year ended 30 September 2022 (cont'd)

Section 172(1) Statement (cont'd)

when making relevant decisions. The size and spread of both the company's stakeholders and the company means that generally our stakeholder engagement takes place at an operational and Johnson Controls International plc ("JCI" or JCI Group") level. We find that as well as being a more efficient and effective approach, this also helps us achieve a greater positive impact on environmental, social and other issues than by working alone as an individual company.

For details of the engagement that takes place with the Group's stakeholders so as to encourage the directors to understand the issues to which they must have regard, please see pages 11 to 26 of the non-financial disclosure report 2022 within JCI Group's annual meeting materials which is publicly available on our website at [Annual Meeting Materials | Johnson Controls Inc.](#) JCI is the ultimate parent undertaking of the company.


We set out below some examples of how Tyco Fire and Integrated Solutions (UK) Limited have had regard to the matters set out in section 172(1)(a)-(f) when discharging our section 172 duty and the effect of that on decisions taken by us:

- The company ensured that it was following the various targets that JCI Group had fixed in terms of sustainable development, and the company was notably incentivised to do so via the implementation of sustainable development factors (such as vehicle fuel consumption reduction, waste management, health & safety, sustainability evaluation of suppliers) in the calculation of the annual bonuses.
- Audits of ISO 14001 Environmental Management System and ISA 50001 Energy management system were undertaken on JCI Group, which included the company indicating the company meeting the standard.
- Health and safety is critical to our success as a company. We are committed to a safe and healthy work environment for our employees, our customers and contractors, our visitors, and our communities. We launched a multi-part campaign to promote our vision of Zero Harm to people and the environment. We recognize that our leaders, employees, customers, and communities expect us to work safely and protect the environment. Our Zero Harm vision includes specific pillars around employee safety, health and wellness, and the environment. One example of action implementing this vision is our Distracted Driving Policy, which prohibits all employees and contractors from using any mobile device when driving while on company business. In 2020, in response to the COVID-19, we created additional Zero Harm processes, tools, and solutions to support our employees and sites through the pandemic.
- Our environmental and energy systems provide assurance to company management and employees, as well as external stakeholders, that our environmental impacts are being measured and improved upon. We have been able to retain these certifications, notably thanks to everyone's co-operation and support.
- The Tyco Fire & Integrated Solutions (UK) Limited management team considered and agreed upon the implementation of mental health and well-being programmes. The team's decision-making process included discussions in relation to protecting the mental health of its workforce. The team concluded that on-going training in the workforce that would help deliver long-term success to the company.

On behalf of the Board

J P Earnshaw
Director

Date:


27/6/23

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Directors' report for the year ended 30 September 2022

The directors present their report and the audited financial statements of the company for the year ended 30 September 2022.

Future developments and financial risk management

The future developments and financial risk management details of the company are noted in the Strategic report.

Post balance sheet events

Management do not foresee any substantial impact on business operations from the ongoing conflict between Russia and Ukraine. However, management will continue to monitor the situation and take appropriate action if required.

Dividends

No interim dividend was paid or is proposed by the directors (2021: none). None was declared as final dividend (2021: £115m).

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and it has committed support from an appropriate entity within the Johnson Controls group for 12 months from the date of signing these financial statements. Thus they continue to adopt the going concern basis in preparing the financial statements, further details of which can be found in the accounting policies note in the financial statements (note 3).

Environmental, health and safety matters

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

The organisation has clear management and functional lines with detailed responsibilities at all levels, which ensure hazards and risks are properly identified and controlled through effective management processes and performance related objectives and targets.

Employment policies

It is the policy of the company that there should be no unfair discrimination in considering applications for employment, based on equal opportunities for all, irrespective of sex, race, colour, disability or marital status. The company gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the group. If members of staff become disabled the company continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

The company systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the company is encouraged, achieving a common awareness on the part of all employees of the financial and economic factors affecting the group. The company encourages the involvement of employees by means of an employee share purchase scheme, regular employee briefings, annual global employee survey and regular awareness days on different topics for company specific matters.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Directors' report for the year ended 30 September 2022 (cont'd)

Directors

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

M Ayre
J P Earnshaw
A J Ellis (Resigned 01.10.2022)
R H Jones
M F Meah (Resigned 09.11.2022)
P Schieser
R Lek (Appointed 09.11.2022 and resigned 01.03.2023)

Directors' 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 was in force throughout the last financial year and is currently in force. The group also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

Statement of directors' responsibilities in respect of the Annual report and the financial statements

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

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 period*. In preparing the 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; 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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Directors' report for the year ended 30 September 2022 (cont'd)

Streamlined energy and carbon reporting

Global energy consumption and greenhouse gas emissions for the period from 1 October 2021 to 30 September 2022 is as follows:

	2021-2022	2020-2021
	UK and Offshore	UK and Offshore
Energy consumption used to calculate emissions: /kWh	7,727,649	6,457,760
Emissions activities for which the company own or control including combustion of fuel & operation of facilities tCO2e (Scope 1)	1,558	1,408
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3)**	N/A	N/A
Emissions from purchased electricity (Scope 2, location-based)	328	196
Total gross CO2e based on above	1,887	1,604
Intensity ratio: tCO2e gross figure based from mandatory fields above/ e.g. £100,000 revenue	1.15	0.98

**Emissions from business travel in employee owned vehicles where employee is responsible for purchasing fuel is minimal (Scope 3)

Methodology

Tyco Fire & Integrated Solutions (UK) Limited is required to report its global and UK energy use and carbon emissions in accordance with the Companies (Directors' report) and limited liability partnerships (energy and carbon report) regulations 2018. The data detailed in these tables represent emissions and energy use for which the company is responsible. To calculate the emissions, fuel and electricity emissions are calculated based on invoice data and estimation. For significant energy users (manufacturing), energy invoices are used to calculate energy use. For office spaces, an estimate utilizing floor space and energy density are used to calculate fuel and electricity consumption. Vehicle fleet energy and emissions are calculated based on fuel spend reports. Emissions are calculated based on: greenhouse gas reporting conversion factors 2022; Department for Business, Energy & Industrial Strategy and Department for Environment Food & Rural Affairs.

Energy efficiency

We are continuously seeking to improve operational efficiency. Johnson Controls group is committed to identifying and prioritising environmental elements arising from our business activities, products and services. The results of the energy assessments conducted in accordance with the Energy Savings Opportunity Scheme (ESOS) and internal energy hunts have been utilised to determine appropriate actions necessary to reduce the impact of our activities on the environment.

To further reflect this mindset, in 2021, we announced ambitious new sustainability commitments that outline our priority to make positive changes in reducing our company's environmental footprint. Building on our history of sustainability leadership, we committed to achieving net zero carbon emissions before 2040 and announced science-based targets for 2030. We set a goal to double our customers' emission reductions through implementation of our OpenBlue digitally enabled solutions. And we are elevating sustainability as a key performance metric for preferred suppliers while also launching a supplier cohort training initiative to cut supplier emissions. In 2021, we launched our OpenBlue digital platform for optimizing building sustainability that will be central to fulfilling these goals.

Environmental sustainability commitments:

- Set science-based targets consistent with the most ambitious 1.5°C Intergovernmental Panel on Climate Change scenario
- Reduce Johnson Controls absolute operational emissions by 55 percent and reduce absolute customers' emissions by 16 percent before 2030

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Directors' report for the year ended 30 September 2022 (cont'd)

Streamlined energy and carbon reporting (cont'd)

Energy efficiency (cont'd)

- Achieve net-zero carbon emissions before 2040, in line with the United Nations Framework Convention on Climate Change Race to Zero and Business Ambition for 1.5°C criteria
- Invest 75 percent of new product development R&D in climate-related innovation to develop sustainable products and services
- Achieve 100 percent renewable electricity usage globally by 2040

The Sustainability Leadership Committee provides regular updates to our Executive Committee and our board of directors. It is chaired by our Chief Sustainability Officer and its members are senior leaders from across our business, functions and regions. It is charged with ensuring we are leaders in all measures of sustainability, embedding sustainability into our culture and operations across the enterprise, building sustainability metrics into employee performance goals, and launching working groups under the Global Sustainability Council (GSC). The GSC and Global Sustainability Team play the roles of connector and coordinator, ensuring streamlined engagement across diverse business functions to deliver on the enterprise sustainability strategy. The GSC was established in 2009 to provide a structure for enterprise-wide sustainability management. The working groups are composed of small teams and are designed to address specific sustainability-related topics.

We have implemented an Energy Hunt Program across our manufacturing facilities. Energy Champions in each plant lead a cross-functional Energy Hunt team in continuous improvement activities that result in annual energy intensity improvements. This program drives culture change and helps our plants identify energy savings opportunities by evaluating measures that include HVAC temperature scheduling, lighting, supply and demand of compressed air, building envelope, and employee energy awareness and engagement.

Nearly a third of our greenhouse gas emissions come from our vehicle fleet. We have a specific vehicle emissions reduction workgroup at a JCI group level to analyse emissions data and ensure we achieve emissions reductions throughout our fleet. We annually analyse our transportation supply chain to improve cost structure and reduce energy use. Over time, we are systematically changing our fleet vehicles, utilizing higher fuel economy and electric vehicles where appropriate. We also optimize our logistics and our packaging in order to decrease weight and increase load factors and to include the use of other higher miles per gallon vans and trucks, telematics, and implementing a policy which prohibits speeding and encourages fuel-efficient driving techniques.

Since October 2020 electric vehicles (EV) have been offered to employees as a choice alongside internal combustion engine (ICE) vehicles throughout our company car scheme in the UK and the 6 other most EV ready countries in Europe. The policy was revised to incorporate EV's, advising drivers to consider their journey profiles and consider their home charging capabilities prior to deciding to take and EV as a company vehicle, with the range of manufacturers to choose from increased for EV's ensuring a wider choice for our drivers. The personal benefit in kind taxation benefits in the UK if taking an EV over an ICE car are considerable which when coupled with our policy changes have seen an EV take up rate of over 50% for renewal orders since October 2020 in the company car fleet in the UK.

Employee engagement statement

The directors have described the action that has been taken during the financial year to (i) introduce, maintain and develop arrangements aimed at providing employee systematically with information on matters of concern to them as employees; (ii) consulting employees or their representatives on a regular basis so views of employees can be taken into account in decision making; (iii) encouraging the involvement of employees in the company's performance; and (iv) achieving a common awareness on the part of all employees of the financial and economic factors affecting the performance of the company, in the Section 172(1) statement in the Strategic report.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Directors' report for the year ended 30 September 2022 (cont'd)

Engagement with suppliers, customers and others in a business relationship with the company

The directors have regard to the need to foster the company's business relationship with suppliers, customers and others, and the effect of that regard, including on principal decisions taken by the company during the financial year.

Please refer to the company's Section 172(1) statement in the Strategic report.

Directors' confirmations

In the case of each director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the next Directors' Board Meeting.

On behalf of the Board



J P Earnshaw

Director

Date: 27/6/23

Independent auditors' report to the members of Tyco Fire & Integrated Solutions (UK) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Tyco Fire & Integrated Solutions (UK) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2022 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, which comprise:

- the Statement of financial position as at 30 September 2022;
- the Statement of comprehensive income for the year then ended;
- 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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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 our work undertaken in the course of the audit, the Companies Act 2006 requires 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 2022 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, 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.

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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to;

- laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including United Kingdom Generally Accepted Accounting Practice, the Companies Act 2006 and taxation legislation; and
- those laws and regulations which do not have a direct effect on the determination of material amounts and disclosures in the financial statements but where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection, employment law and certain aspects of company legislation. Auditing standards limit the required audit procedures to identify noncompliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act

2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of fraudulent journal entries and inappropriate revenue recognition to manipulate financial performance. Audit procedures performed by the engagement team included:

- Consideration of fraud risk as part of our audit planning process;
- Discussions with management, in respect of risk of fraud and any known or suspected instances of non-compliance with laws and regulation and fraud and reviewing board minutes;
- Confirmation with those charged with governance in respect of risk of fraud and any known or suspected instances of non-compliance with laws and regulations;
- Incorporating unpredictability into our audit process;
- Responding to the risks identified by designing appropriate audit procedures;
- Maintaining professional scepticism throughout the audit;
- Implementing specific procedures to address risks associated with the management override of controls, including examination of journal entries; and
- Procedures designed to address the risk of fraud in revenue recognition.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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. 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 obtained 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.



John Daly (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Auditors
Cork
29 June 2023

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Statement of comprehensive income for the year ended 30 September 2022

	Note	2022 £'000	2021 £'000
Turnover	5	177,900	164,060
Cost of sales		(149,065)	(137,318)
Gross profit		28,835	26,742
Administrative expenses		(36,328)	(30,662)
Other operating income	7	-	142
Operating loss	6	(7,493)	(3,778)
Income from shares in group undertaking	14	-	75,000
Interest receivable and similar income	9	672	1,648
Interest payable and similar expenses	10	(343)	(1,832)
Gain on disposal	14	-	51,260
(Loss)/profit before tax		(7,164)	122,298
Tax (charge)/credit on profit	11	692	(187)
(Loss)/profit for the financial year		(6,472)	122,111
Remeasurement of net defined benefit obligation	22	(11)	(226)
Movement on deferred tax relating to pension liability	17	2	43
Total comprehensive (expense)/income for the financial year		(6,481)	121,928

All amounts relate to continuing operations.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Statement of financial position as at 30 September 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Intangible assets	12	-	-
Tangible assets	13	638	659
Investments	14	6,574	-
Pension asset	22	-	-
		7,212	659
Current assets			
Inventories	15	2,673	2,177
Debtors: amounts falling due within one year	16	142,020	119,747
Cash at Bank and in Hand		9,191	169,134
		153,884	291,058
Creditors: amounts falling due within one year	18	(151,743)	(276,033)
Net current assets		2,141	15,025
Total assets less current liabilities		9,353	15,684
Creditors: amount falling due after more than one year	19	(150)	-
Pension liability	22	-	-
Net assets		9,203	15,684
Capital and reserves			
Called up share capital	21	2,000	2,000
Revaluation reserve		21	21
Retained earnings		7,182	13,663
Total equity		9,203	15,684

The notes on pages 18 to 41 are an integral part of these financial statements.

The financial statements on pages 15 to 41 were approved by the Board of directors on 27 June 2023 and were signed on its behalf by:



J P Earnshaw
Director
Tyco Fire & Integrated Solutions (UK) Limited
Registered Number 01952517

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Statement of changes in equity for the year ended 30 September 2022

	Called up share capital £'000	Revaluation reserve £'000	Retained profit £'000	Total equity £'000
Balance as at 1 October 2020	2,000	21	6,735	8,756
Profit for the year	-	-	122,111	122,111
Total re-measurement on pension scheme	-	-	(226)	(226)
Movement on deferred tax relating to pension liability	-	-	43	43
Equity-settled share based payments	-	-	68	68
Payment to parent for the exercise of equity-settled share-based payment	-	-	(68)	(68)
Dividend	-	-	(115,000)	(115,000)
Balance as at 30 September 2021	2,000	21	13,663	15,684
Loss for the year	-	-	(6,472)	(6,472)
Total remeasurement on pension scheme	-	-	(11)	(11)
Movement on deferred tax relating to pension liability	-	-	2	2
Equity-settled share based payments	-	-	111	111
Payment to parent for the exercise of equity-settled share based payment	-	-	(111)	(111)
Balance as at 30 September 2022	2,000	21	7,182	9,203

Accumulated profit represents accumulated comprehensive income for the year and prior years.

The revaluation reserve represents the net surplus of an upward revaluation.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022

1. General information

Tyco Fire & Integrated Solutions (UK) Limited ("the company") is a private company limited by shares, domiciled and incorporated in England, United Kingdom under the Companies Act. The address of its registered office is Tyco Park, Grimshaw Lane, Newton Heath, Manchester, M40 2WL. The principal activity of the company is the design, assembly, installation and service of fire protection systems.

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 as modified by the revaluation of assets. If, however, the company needs additional liquidity, the directors have received assurances from another group company that the company will be able to draw additional funding via the treasury centre that is operated.

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 24.

Section 4 'Statement of Financial Position'

Reconciliation of the opening and closing number of shares outstanding at the beginning and end of the period [4.12(a)(iv)];

Section 7 'Statement of Cash Flows'

The requirement to prepare a statement of cash flows [Section 7 of FRS 102 and para 3.17(d)] The company has taken advantage of the exemption, under paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Johnson Controls International plc, includes the company's cash flows in its consolidated financial statements;

Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues'

Certain financial instrument disclosures providing equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated [11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A]. This exemption is not available to financial institutions as defined in the FRS 102 Glossary. In addition, the company law disclosures are still required.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

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

Reduced disclosures(cont'd)

Section 26 'Share based payments'

Disclosures are included in the consolidated financial statements of the group. Certain disclosure requirements of Section 26 in respect of share-based payments provided that (i) for a subsidiary the share-based payment concerns equity instruments of another group entity; or (ii) for an ultimate parent the share-based payment concerns its own equity instruments and its separate financial statements are presented alongside the consolidated financial statements of the group; and in both cases the equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated. [26.18(b), 26.19–26.21, 26.23]

Section 33 'Related Party Disclosures'

Key management personnel compensation in total. [33.7]. A qualifying entity may take advantage of the disclosure exemptions above provided that it otherwise applies the recognition, measurement and disclosure requirements of FRS 102 and it discloses in the notes to its financial statements a brief summary of the disclosure exemptions adopted and the name of the parent of the group in whose consolidated accounts its financial statements are adopted and from where those financial statements may be obtained.

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.

Group financial statements

The company is exempt from the requirement to prepare and deliver consolidated financial statements under the provisions of Section 401 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 24. Accordingly consolidated financial statements have not been prepared and the financial information presented for the current year is for the company as an individual undertaking.

Going concern

The company meets its day-to-day working capital requirements through its bank facilities and group support if needed. The company's forecasts and projections, taking into account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore these financial statements have been prepared on a going concern basis.

Revenue recognition

Revenue is recognised when a good or service is transferred to the customer and the customer obtains control of that good or service. Turnover represents the amount receivable for goods supplied or services rendered, net of discounts and value added taxes. It comprises:

Sale of Goods

Revenue is recognised on delivery of the goods.

Rendering of Services

Service revenue in relation to maintenance and monitoring contracts is recognised on maintenance and monitoring services provided in the financial year, whether invoiced or due on a straight line basis over the period of the contract.

Planned service agreements revenue in respect of rented equipment, is recognised on a straight-line basis over the 14 year period that a rented system is expected to be in place generating income. The 14 year period is based on a study of the average length of time a monitoring customer stays with the business. The elements of invoiced amounts that have not been earned are accounted for as deferred revenue and released over 14 years. If the monitoring customer does not extend their agreement to 14 years, the residual deferred revenue is recognised immediately.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

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

Revenue recognition (cont'd)

Rendering of Services (cont'd)

Equipment leased to customers under operating leases (equipment on contract hire) is capitalised in accordance with the fixed assets and depreciation note below.

Revenue on adhoc service and maintenance provided outside of the maintenance and monitoring contracts is recognised on task completion in line with customer requirements.

Income from installation contracts

Installation contracts revenue relating to equipment and systems sold on an outright basis is recognised proportionately to the stage of completion of the individual contracts, measured on a cost incurred to total forecast cost basis. Revenue and profit on project variations are included in the calculation of the percentage of total contract value completed once they have been agreed with the customer or whose recovery is considered probable.

Revenue is only recognised to the extent that costs incurred are expected to be recoverable.

Onerous contracts

When the company becomes aware that the costs of meeting a contract will exceed any income which will flow to the company from the contract, the full loss is provided for in the Statement of financial position, with a resulting charge to the Statement of comprehensive income in the period it is recognised.

Functional and presentational currency

The company's functional and presentational currency is the pound sterling because the majority of its economic flows are in pound sterling.

Foreign currencies

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

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

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

Taxation

The tax charge represents the sum of the current tax charge and deferred tax charge.

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years at the standard effective rate of corporation tax in the UK.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date, unless it is not considered probable that deferred tax assets will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

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

Taxation (cont'd)

Deferred tax (cont'd)

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference. Deferred tax is measured on an undiscounted basis.

Intangible assets

Goodwill

Goodwill represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair value of the identifiable net assets, liabilities and contingent liabilities acquired.

Amortisation

Goodwill is fully written down through the Statement of comprehensive income over its expected useful economic life which is estimated to be 10 years. The directors' best estimate of the useful economic life of goodwill is over 10 years, however, the directors have been unable to reliably estimate the exact useful economic life of the goodwill. It is therefore being amortised on a straight line basis over 10 years, the maximum permitted period allowed by FRS 102 (as amended by SI 2016/980).

Assets are reviewed for impairment annually for changes in circumstances which indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's net realisable value and its value in use.

Intellectual property

Intellectual property is included at cost and amortised over its estimated useful economic life, which is estimated to be 10 years. The directors' best estimate of the useful economic life of intellectual property is over 10 years, however, the directors have been unable to reliably estimate the exact useful economic life of the intellectual property. It is therefore being amortised on a straight line basis over 10 years, the maximum permitted period allowed by FRS 102 (as amended by SI 2016/980). Provision is made for any impairment.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, which is the original purchase price plus incidental expenses, less accumulated depreciation. Depreciation is calculated to write off the cost, less estimated residual value of each asset over its expected useful economic life, as follows:

Land	Land is not depreciated
Freehold buildings	Straight line over 40 years
Leasehold buildings	Straight line over the life of the lease
Plant and machinery	5% - 33% reducing balance

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Operating leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. There are no holiday periods on these operating leases. Payments under operating leases are charged to the Statement of comprehensive income on a straight line basis over the period of the lease.

Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the period in which they are incurred.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (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 for indications of potential impairment annually. If it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the Statement of comprehensive income. The recoverable amount is the higher of the asset's net realisable value and value in use.

An impairment loss is subsequently reversed, if the carrying amount of the asset is increased to the recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior periods.

Inventories and work in progress

Finished goods for sale and components available for contract use are stated at cost or, if lower, at net realisable value. Cost is determined on the first-in, first-out method. Cost includes materials, direct labour and an attributable proportion of overheads based on normal levels of activity. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items where appropriate. The carrying value of work in progress equates to the value of materials and labour costs for unfinished projects.

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

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown in creditors due within one year.

Cash held as part of the global cash pooling arrangements is shown in amounts owed by and to group undertakings.

Accounts receivable factoring

Accounts receivable factoring is a financial service that allows the company to sell their outstanding accounts receivables to a specialized financial institution called a Factor. The company then receives immediate funding for a factoring fee. Sales of accounts receivable are reflected as a reduction of debtors in the Statement of financial position.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

An onerous contract provision is recorded where there is an expectation that a contract will be loss making. The magnitude of any provision is determined by reference to the least net cost of exiting from the contract. The costs of meeting a contract are measured on a total forecast cost basis based on subcontractor quotes and estimated hours to complete.

Restructuring provisions are recognised when the company has a detailed formal plan for the restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected and therefore has a legal or constructive obligation to carry out the restructuring.

Provisioning is not made for future operating losses.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

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

Financial instruments

Financial assets

Basic financial assets, including debtors, cash and bank balances and loans to fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

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

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, the control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Such debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classed as current liabilities if payment is due within one year or less.

Forward exchange contracts

Forward exchange contracts are not basic financial instruments. They are initially recognised at fair value on the date the contract is entered into and are then subsequently re-measured at their fair value. Changes in the fair value of the contracts are recognised in the Statement of comprehensive income.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends to the company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the shareholders. These amounts are recognised in the Statement of changes in equity.

Employee benefits

The company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements, defined contribution and defined benefit pension plans. Short term benefits, including annual bonus, holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Annual bonus plan

The company operates an annual bonus plan for employees. An expense is recognized in the Statement of comprehensive income in the financial year for which the bonus is payable, when a reliable estimate of the obligation can be made.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

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

Employee benefits (cont'd)

Early termination costs

Early termination costs are charged to the Statement of comprehensive income when, as a result of a decision to terminate employees employment, the offer can no longer be withdrawn, it is unlikely that any significant changes to the termination plan will be made and the plan identifies the number of employees to be terminated, their job classifications or functions, their locations, and the expected completion date.

Share-based payments

Johnson Controls International plc has four equity-settled share-based incentive schemes to which the management and employees of its overseas subsidiaries, including this company, are eligible to participate in three of the schemes. Johnson Controls International plc recharges back the cost incurred (being the intrinsic value at exercise) when the options are exercised and this amount is offset against the retained earnings reserve in the period to which it relates.

Pension schemes

Defined benefit pension plan

The company is the principal employer of the Mather & Platt (Ireland) Ltd 1991 Retirement Benefits Scheme, which is a defined benefit scheme.

Scheme liabilities are estimated using the projected unit credit method. Under this method each participant's benefits under the plan are attributed to years of service, taking into consideration future salary increases and the plan's benefit allocation formula. The scheme liability is the total present value of the individuals' attributed benefits for valuation purposes at the measurement date, and the service cost is the total present value of the individual's benefits attributable to service during the period. The scheme actuary has deemed the scheme to be in a deficit position under the ongoing basis and the company has agreed to continue to make contributions into the scheme, therefore the surplus has been restricted. The scheme is closed to new entrants and closed to future defined benefit accrual.

In October 2017 Johnson Controls International plc sold the company Scott Health & Safety Limited outside the group. The defined benefit pension scheme, the Scott Health & Safety Limited Retirement Benefit (No 1) Pension Scheme, in Scott Health & Safety Limited was transferred to Tyco Fire & Integrated Solutions (UK) Limited in September 2017. The level of benefits provided by the scheme depends on a member's length of service and their salary at their date of leaving the scheme. The scheme is closed to new entrants and closed to future defined benefit accrual.

Defined contribution pension plan

The company also operates a defined contribution pension scheme for the benefit of its employees, the assets of which are held separately from those of the company in independently administered funds. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the Statement of financial position.

Government grants

Government grants are recognised when it is reasonable to expect they will be received and that all related conditions are met. They are recognised in the Statement of comprehensive income in the periods in which the related costs are incurred.

Deferred expenses

Sales commission costs that have been incremental in obtaining a customer contract, for which the associated turnover and profit will be recognised in the future, are deferred to the balance sheet in order to be charged to the Statements of comprehensive income at the same time as the related turnover.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are addressed below.

Revenue recognition

Earned installation fees relating to equipment sold on an outright basis are recognised proportionately to the stage of completion of the individual contracts, measured on a cost incurred to total forecast cost basis. This is sensitive to changes in the forecast being estimated. Revenue relating to future periods are deferred.

Onerous contracts

When the company becomes aware that the costs of meeting a contract will exceed any income which will flow to the company from the contract, the full loss is provided for in the Statement of financial position. The costs of meeting a contract are measured on a total forecast cost basis based on subcontractor quotes and estimated hours to complete. This is sensitive to changes in the forecast being estimated.

Impairment of investments

As per the accounting policy fixed asset investments are reviewed for indicators of impairment. If there is such an indication, the recoverable amount of the investment is compared to its carrying value. The recoverable amount of the investment is the higher of the fair value less costs to sell and value in use. 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 cash flows and other future events. Management makes estimates regarding the future financial performance of the income generating units, taking into account elements such as long-term business strategy. This is sensitive to changes in the forecast being estimated.

An impairment loss is subsequently reversed, the carrying amount of the asset is increased to the recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

Pension surplus recognition

The directors consider that under FRS 102 there is a policy choice to be made as to whether or not to restrict the surplus and on the basis of the facts and circumstances have concluded that restricting the surplus is the most appropriate outcome.

Sale and leaseback

The sale and leaseback transaction during the fiscal year 2020 has resulted in an operating lease arrangement. The useful economic life of the properties is considered as a judgmental area and management does not consider the lease term of the property to be the major part of the economic life of the property. In the event of the transaction resulting in a finance lease, the gain on sale of the properties of £9.2 million would be recognised over the period of the lease.

Critical accounting judgements

There are no critical accounting judgements impacting the financial statements.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

5. Turnover

Turnover by destination	2022 £'000	2021 £'000
United Kingdom	176,624	159,589
Rest of Europe	800	3,696
North, Central and South America	107	183
Middle East	132	232
Africa	141	178
Asia	81	135
Australia	15	47
	177,900	164,060

Turnover by category	2022 £'000	2021 £'000
Sale of goods	3,933	3,933
Rendering of services	58,841	56,448
Income from installation contracts	115,126	103,679
	177,900	164,060

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

6. Operating loss

	2022 £'000	2021 £'000
Operating loss is stated after charging/(crediting)		
Staff costs		
- Wages and salaries	38,934	37,088
- Social security costs	4,524	4,059
- Other pension costs – see note 22	1,681	1,618
- Share based payments	111	68
Total staff costs charged to Statement of comprehensive income	45,250	42,833
Operating leases – hire of vehicles, plant and machinery	2,629	2,284
Operating lease rentals – land and buildings	1,963	1,585
Depreciation of tangible assets – see note 13	73	96
Inventory recognised as an expense	4,562	5,220
Research and development credit	-	(364)
Foreign exchange loss	823	603
Auditors' remuneration - for audit services	164	146

7. Other operating income

	2022 £'000	2021 £'000
Coronavirus job retention scheme income	-	142

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

8. Directors and employees

Six (2021: six) directors do not receive remuneration through the company because they are paid by other group entities. It is not possible to determine an allocation of costs to this company. During the year the number of directors who were receiving benefits and share incentives was as follows: no directors (2021: no directors) received or were entitled to receive shares under long term incentive schemes, none (2021: none) exercised share options and none (2021: none) accrued benefits under money purchase pension schemes.

Staff numbers

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

	Numbers 2022	Numbers 2021
Direct	716	685
Indirect	89	93
	805	778

9. Interest receivable and similar income

	2022 £'000	2021 £'000
Interest receivable from group undertakings	303	1,408
Interest income on post-employment benefits – note 22	202	123
Bank interest receivable	167	117
	672	1,648

10. Interest payable and similar expenses

	2022 £'000	2021 £'000
Interest payable to group undertakings	99	1,369
Interest expense on post-employment benefits – note 22	154	123
Bank interest payable	90	340
	343	1,832

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

11. Tax (charge)/ credit on profit

	2022 £'000	2021 £'000
Current tax		
Corporation tax charge	(148)	-
Withholding Tax Suffered	148	47
Total current tax	-	47
	2022 £'000	2021 £'000
Deferred tax		
Deferred tax adjustment relating to previous years	(26)	11
Impact of change in corporation tax rate on pension relief	2	43
Impact of change in corporation tax rate on timing differences	(147)	(137)
Defined benefit scheme timing differences	-	-
Timing differences	(521)	223
Total deferred tax	(692)	140
Total tax on profit	(692)	187

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

11. Tax (charge)/credit on profit (cont'd)

Reconciliation of tax charge

The tax assessed for the year is lower (2021: lower) than the standard rate of corporation tax in the United Kingdom of 19% (2021: 19%). The differences are explained below:

	2022 £'000	2021 £'000
Profit before taxation	(7,164)	122,298
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	(1,361)	23,237
Effects of:		
Expenses not deductible for tax purposes	37	304
Group relief claimed	899	909
Non-taxable income	(96)	(24,198)
Effects of Accelerated Capital Allowances	-	(29)
Profit on disposal of fixed assets	-	-
Adjustments in respect of prior years	(26)	11
Impact of change in corporate tax rate on timing differences	(147)	(137)
Impact of change in corporation tax rate on pension relief	2	43
Withholding Tax	-	47
Total (credited)/charged for the year	(692)	187

The rate of UK corporation tax is currently 19%. In its 2021 spring budget, the UK government announced that from 1 April 2023 the corporation tax rate will increase to 25%. This was substantively enacted for UK GAAP purposes on 10 June 2022.

Temporary differences at the Statement of financial position date have been measured using the enacted deferred tax rate of 25% and reflected in these financial statements.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

12. Intangible assets

	Goodwill £'000	Intellectual property £'000	Total £'000
Cost			
At 1 October 2021 and at 30 September 2022	46,918	916	47,834
Accumulated amortisation			
At 1 October 2021 and at 30 September 2022	46,918	916	47,834
Net book value			
At 1 October 2021 and at 30 September 2022	-	-	-

13. Tangible assets

	Land and buildings £'000	Plant and machinery £'000	Total £'000
Cost			
At 1 October 2021	755	6,478	7,233
Additions	-	52	52
At 30 September 2022	755	6,530	7,285
Accumulated depreciation			
At 1 October 2021	450	6,124	6,574
Charge for the year	61	12	73
At 30 September 2022	511	6,136	6,647
Net book value			
At 30 September 2022	244	394	638
At 30 September 2021	305	354	659

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

14. Investments

Shares in subsidiary undertakings	Total £'000
Cost	
At 1 October 2021	8,557
Addition	6,574
At 30 September 2022	15,131
Provision for impairment	
At 1 October 2021	(8,557)
Impairment Reversal	-
At 30 September 2022	(8,557)
Net book amount	
At 30 September 2022	6,574
At 30 September 2021	-

The company purchased 100% share interest in Xcell Misting Limited from various shareholders in March 2022 for consideration amount of £4.6m.

The company purchased 100% stock ownership in Powertec Pumps Limited in April 2022 for consideration amount of £1.9m.

Analysed as:	2022 £'000	2021 £'000
Xcell Misting Limited	4,648	-
Powertec Pumps Limited	1,926	-
	6,574	-

The company held the following investments at 30 September 2022:

Company	Class of shares	Proportion of nominal value of shares issued held by:		Registered office
		The company	Other group companies	
Powertec Pumps Limited	Ordinary	100%	-	Manchester M40 2WL, United Kingdom
Xcell Misting Limited	Ordinary	100%	-	Middlesex TW16 5DB, United Kingdom
Tyco Qatar Fire & Security (W.L.L)*	Ordinary	49%	51%	P.O. Box 22296 Doha – State of Qatar

*The company only holds legal ownership; beneficial ownership was transferred to Tyco Holding (U.K.) Limited as at 30 September 2022.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

15. Inventories

	2022 £'000	2021 £'000
Finished goods and goods for resale	15	24
Work in progress	2,658	2,153
	2,673	2,177

There is no significant difference between the replacement cost of the inventories and the carrying amount in the Statement of financial position.

16. Debtors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade debtors	19,859	26,323
Amounts recoverable on contracts	27,949	23,140
Amounts owed by group undertakings	86,333	64,012
Withholding tax	148	222
Deferred tax – note 17	1,491	797
Other receivables	815	450
Prepayments	3,932	3,485
Deferred expenses	1,493	1,318
	142,020	119,747

Amounts owed by group undertakings includes £24.9 million (2021: nil) receivable in relation to the UK cash pool. The amount is unsecured and repayable on demand. The amounts owed by group undertakings also include one unsecured loan to the value of £23.4 million (2021: £23.4 million) which bears interest at an annual fixed rate of 1.3% (2021: 1.3% per annum) and matures on 27 October 2022.

All other amounts are unsecured, interest free and repayable on demand.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

17. Deferred tax

The deferred tax asset recognised consists of:

	2022 £'000	2021 £'000
Differences between accumulated depreciation and amortisation and capital allowances	495	571
Other timing differences	689	-
Research and development	307	226
Total deferred tax recognised	1,491	797

	2022 £'000
Asset recognised at 1 October 2021	797
Amount credited to the Statement of comprehensive income	692
Amount credited to the other comprehensive income	2
Deferred tax asset on research and development credit	-
Asset recognised at 30 September 2022	1,491

18. Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Bank overdrafts	2	112
Trade creditors	31,432	24,371
Installation deferred income	10,724	9,414
Service deferred income	1,275	724
Amounts owed to group undertakings	96,445	231,086
Taxation and social security	1,633	2,213
Loss provision	2,755	-
Accruals	7,477	8,113
	151,743	276,033

Amounts owed to group undertakings includes £ nil (2021: £187.9 million) payable in relation to the UK cash pool. All amounts are unsecured, interest free and repayable on demand.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

19. Creditors: amounts falling due after more than one year

	2022 £'000	2021 £'000
Other creditors	150	-
	150	-

Other creditors includes deferred consideration in relation to investment in Powertec Pumps Limited that is receivable after more than one year.

20. Operating lease commitments

The company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2022 £'000	2021 £'000
Payments due		
Within one year	2,881	2,986
Within two to five years	6,835	8,372
Over five years	16,574	20,512
	26,290	31,870

Leases for land and buildings are subject to periodic rent review.

21. Called up share capital

	2022 £'000	2021 £'000
Allotted and fully paid		
2,000,000 Ordinary shares of £1 each (2021: 2,000,000)	2,000	2,000

22. Pension schemes

There are two defined benefit pension schemes Mather & Platt (Ireland) Ltd 1991 Retirement Benefit Scheme and Scott Health & Safety Limited Retirement Benefit (No 1) Pension Scheme. All schemes are funded pension-schemes providing benefits based on final pensionable pay. The assets of the schemes are held in separate trustee administered funds.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

22. Pension schemes (cont'd)

	2022 £'000	2021 £'000
Mather & Platt (Ireland) Limited scheme	-	-
Scott Health & Safety Limited scheme	-	-
Net asset/(liability) recorded in the Statement of financial position	-	-
Total cost/(income) recognised as an expense:		
	2022 £'000	2021 £'000
Mather & Platt (Ireland) Limited scheme	-	-
Scott Health & Safety Limited scheme	(11)	67
	(11)	67
Total cost/(income) recognised in other comprehensive income		
	2022 £'000	2021 £'000
Mather & Platt (Ireland) Limited scheme	-	-
Scott Health & Safety Limited scheme	(11)	(226)
	(11)	(226)

Mather & Platt (Ireland) Ltd 1991 Retirement Benefit Scheme

The company is the principal employer of the Mather & Platt (Ireland) Ltd 1991 Retirement Benefit Scheme a defined benefit pension scheme. The scheme is closed to new entrants.

Scheme liabilities are estimated using the projected unit credit method. Under this method each participant's benefits under the plan are attributed to years of service, taking into consideration future salary increases and the plan's benefit allocation formula.

The scheme liability is the total present value of the individuals' attributed benefits for valuation purposes at the measurement date.

The contributions are determined by a qualified actuary on the basis of triennial valuations using the attained age method. The last funding valuation of the scheme was carried out by a qualified actuary as at 30 September 2022.

The total contributions in the next year are expected to be £nil.

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

22 Pension schemes (cont'd)

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

	2022 £'000	2021 £'000
Fair value of scheme assets	5,860	8,389
Present value of scheme liabilities	(4,045)	(5,820)
Asset ceiling	(1,815)	(2,569)
Net assets recorded in the Statement of financial position	-	-

Changes in the fair value of plan assets are as follows:

	2022 £'000	2021 £'000
Fair value plan assets at beginning of the year	8,389	9,778
Interest income	97	82
Employer contributions	-	-
Foreign exchange differences	153	(539)
Benefit payments from plan assets	(185)	(235)
Return on plan assets (excluding interest income)	(2,594)	(697)
Fair value plan assets at end of year	5,860	8,389

The major categories of scheme assets are as follows:

	2022 £'000	2021 £'000
Cash and cash equivalents	-	-
Equity instruments	-	-
Debt instruments	5,860	8,389
	5,860	8,389

Changes in defined benefit obligation are as follows:

	2022 £'000	2021 £'000
Defined benefit obligation at beginning of the year	5,820	6,577
Interest expense	67	54
Foreign exchange differences	106	(362)
Benefit payments from plan assets	(185)	(235)
Effect of changes in assumptions	(1,780)	(183)
Effect of experience adjustments	17	(31)
Present value at end of year	4,045	5,820

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

22 Pension schemes (cont'd)

Total cost recognised as an expense/(income):

	2022 £'000	2021 £'000
Interest expense on defined benefit obligation	67	54
Interest income on plan assets	(97)	(82)
	(30)	(28)
Effect of asset restriction	30	28
	-	-

Total cost recognised as an income/(expense) in other comprehensive income

	2022 £'000	2021 £'000
Effect of changes in assumptions	(1,780)	(183)
Effect of experience adjustments	17	(31)
Return on plan assets (excluding interest income)	2,594	697
Effect of asset restriction	(831)	(483)
	-	-

Principal actuarial assumptions

The principal actuarial assumptions at the Statement of financial position date are as follows:

	2022 % pa	2021 % pa
Inflation – Consumer Price Index	2.30	1.75
Rate of increase of pensions in payment	3.00	3.00
Discount rate	3.70	1.15

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

22 Pension schemes (cont'd)

Scott Health & Safety Limited Retirement Benefit (No 1) Pension Scheme

In October 2017 Johnson Controls International plc sold the company Scott Health & Safety Limited. Prior to the sale in September 2017 the defined benefit pension scheme, the Scott Health & Safety Limited Retirement Benefit (No 1) Pension Scheme, held by Scott Health & Safety Limited was transferred to the company for £0.3 million. The net liability position of the scheme at the 30 September 2017 was £0.2 million.

The level of benefits provided by the scheme depends on a member's length of service and their salary at their date of leaving the scheme. The scheme is closed to new entrants and closed to future defined benefit accrual.

The last funding valuation of the scheme was carried out by a qualified actuary as at 1 July 2018.

The results of the funding valuation at 1 July 2018 have been adjusted to the Statement of financial position date taking account of experience over the period since 1 July 2018, changes in market conditions and differences in the financial and demographic assumptions. The present value of the defined benefit obligation was measured using the projected unit credit method.

No company contributions are expected to be paid to the scheme during the year ending on 30 September 2023.

The disclosures below are in respect of the scheme.

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

	2022 £'000	2021 £'000
Fair value of scheme assets	4,503	4,998
Present value of scheme liabilities	(2,687)	(4,180)
Asset ceiling	(1,816)	(818)
Net asset/(liability) recorded in the Statement of financial position	-	-

Changes in the fair value of plan assets are as follows:

	2022 £'000	2021 £'000
Fair value plan assets at beginning of the year	4,998	5,097
Interest income	105	78
Employer contributions	-	-
Benefit payments from plan assets	(48)	(120)
Administration costs incurred	11	(67)
Return on plan assets (excluding interest income)	(563)	10
Fair value plan assets at end of year	4,503	4,998

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

22 Pension schemes (cont'd)

The major categories of scheme assets are as follows:

	2022 £'000	2021 £'000
Insured pensions	495	650
Other	4,008	4,348
	4,503	4,998

Changes in defined benefit obligation are as follows:

	2022 £'000	2021 £'000
Defined benefit obligation at beginning of the year	4,180	4,498
Interest expense	87	69
Benefit payments from plan assets	(48)	(120)
Effect of changes in assumptions	(1,512)	(109)
Effect of experience adjustments	(20)	(158)
Present value at end of year	2,687	4,180

Total cost recognised as an expense/(income):

	2022 £'000	2021 £'000
Interest expense on defined benefit obligation	87	69
Interest income on plan assets	(105)	(78)
	(18)	(9)
Effect of asset restriction	18	9
Administration costs incurred	(11)	67
	(11)	67

Total cost/(income) recognised as an income/(expense) in other comprehensive income

	2022 £'000	2021 £'000
Effect of changes in assumptions	(1,512)	(109)
Effect of experience adjustments	(20)	(158)
Return on plan assets (excluding interest income)	563	(10)
Effect of asset restriction	980	503
	11	226

TYCO FIRE & INTEGRATED SOLUTIONS (UK) LIMITED

Notes to the financial statements for the year ended 30 September 2022 (cont'd)

22 Pension schemes (cont'd)

Principal actuarial assumptions

The principal actuarial assumptions at the Statement of financial position date are as follows:

	2022 % pa	2021 % pa
Inflation – Consumer Price Index	3.34	2.87
Rate of increase of pensions in payment	3.79	3.57
Discount rate	5.22	2.10

Defined contribution pension scheme

The company also operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £1.7 million (2021: £1.6 million). Contributions totalling £nil (2021: £nil) were payable to the scheme at the end of the year and are included in creditors due within one year.

23 Contingent liabilities

The company has undertaken to indemnify its bankers in respect of contract guarantees and performance bonds given by the banks on the company's behalf in the ordinary course of business. The amount guaranteed is £6,327,650 (2021: £5,895,275).

The company is potentially exposed to liquidated damages and legal claims in respect of contracts it has entered into. The directors do not expect any significant unprovided or uninsured loss to be suffered in respect of these contracts.

24 Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Johnson Controls Building Efficiency UK Limited.

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 2022. The consolidated financial statements of Johnson Controls International plc are available from:

Johnson Controls International plc
1 Albert Quay
Cork
Ireland