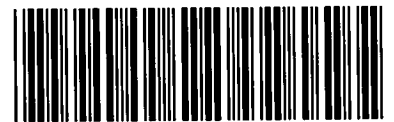


Registered Number: 982901

Johnson Controls Batteries Limited
Annual report and financial statements
for the year ended 30 September 2016

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Johnson Controls Batteries Limited

Annual report and financial statements for the year ended 30 September 2016

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Johnson Controls Batteries Limited

Strategic report for the year ended 30 September 2016

The directors present the strategic report on the company for the year ended 30 September 2016.

Results

The results for the year and the financial position of the company are shown in the accompanying financial statements. Profit before taxation for the year ended 30 September 2016 was £4.9 million (2015: £4.7 million).

Review of business and future developments

The turnover of the company was £40.0 million (2015: £48.9 million). A focus on margins during the year lead to a decrease of 18.3% on the prior year.

The company has net assets of £15.9 million (2015: £11.9 million).

The directors expect the general level of activity to remain stable for the foreseeable future.

Business environment and strategy

The automotive battery industry continues to be highly competitive in all areas. The company's strategy is to maintain close relationships with its current customers through offering additional services related to batteries such as recycling. The company is focussing on improving profitability through concentrating in absorbent glass mat (AGM) batteries and improved lead acid technology.

Key performance indicators

The Company's key financial performance indicators during the year were as follows:

	2016	2015
Turnover (£'000)	39,959	48,911
Gross profit %	9.0%	13.5%
Average number of employees	14	13

The operations of Johnson Controls International plc and its subsidiary companies ("the group") are measured on a divisional basis; the company is considered part of the Power Solutions division. For this reason, the directors of Johnson Controls Batteries Limited believe that further analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of Johnson Controls Batteries Limited. The development, performance and position of the Power Solutions business segment which includes the company, is discussed in Johnson Controls International plc group's annual report which is publicly available from the address disclosed in note 20.

Johnson Controls Batteries Limited

Strategic report for the year ended 30 September 2016 (cont'd)

Principal risks and uncertainties

The principal risks and uncertainties of the company are the same as those in the wider battery power segment of Johnson Controls International plc, the company's ultimate parent, and its risks are discussed in those financial statements.

Any of the following could materially and adversely impact the results of operations of our Power Solutions business: loss of, or changes in, automobile battery supply contracts with our large original equipment customers; the increasing quality and useful life of batteries or use of alternative battery technologies, both of which may adversely impact the lead-acid battery market, including replacement cycle; market and financial consequences of any recalls that may be required on our products; delays or difficulties in new product development, including lithium-ion technology; impact of potential increases in lithium-ion battery volumes on established lead-acid battery volumes as lithium-ion battery technology grows and costs become more competitive; financial instability or market declines of our customers or suppliers; slower than projected market development in emerging markets; interruption of supply of certain single-source components; unseasonable weather conditions; increasing global environmental and safety regulations related to the manufacturing and recycling of lead-acid batteries, and transportation of battery materials; our ability to secure sufficient tolling capacity to recycle batteries; price and availability of battery cores used in recycling; and the lack of the development of a market for hybrid and electric vehicles.

The company requires risk management and operational policies and procedures to be implemented in all areas of the business. Furthermore, there is a robust supervision structure which allows management to account for the delivery of both the company and European level contracts and to oversee relationships with its key stakeholders.

On behalf of the Board



A Manastire
Director

16 June 2017

Johnson Controls Batteries Limited

Directors' report for the year ended 30 September 2016

The directors present their report and the audited financial statements of the company for the year ended 30 September 2016.

Future developments

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

Dividends

The directors do not recommend payment of a dividend (2015: £nil).

Financial risk management

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

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.

Exchange rate risk

Potential exposure to currency exchange rate fluctuations is managed internally within the group treasury function. The group enter into forward exchange contracts on behalf of the company on contractual future cash flows. Consequently exchange rate risk is not significant. See note 19 for more details.

Price risk

The directors do not consider that the company's operations expose it to any material price risk since its supplies are primarily from other group undertakings.

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 mitigated as there is no external funding requirement.

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

Johnson Controls Batteries Limited

Directors' report for the year ended 30 September 2016 (cont'd)

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 for 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 company. 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 company.

Directors

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

J Bailey
A Manastire
F Bailleul
J Trafalski

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 Company also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

Johnson Controls Batteries Limited

Directors' report for the year ended 30 September 2016 (cont'd)

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland", and applicable law).

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

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

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

On behalf of the Board



A Manastire
Director
16 June 2017

Johnson Controls Batteries Limited

Independent auditors' report to the members of Johnson Controls Batteries Limited

Report on the financial statements

Our opinion

In our opinion, Johnson Controls Batteries Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 September 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual report and financial statements (the "Annual Report"), comprise:

- the statement of financial position as at 30 September 2016;
- 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 summary of significant accounting policies and other explanatory information.

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

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic report and the Directors' report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Johnson Controls Batteries Limited

Independent auditors' report to the members of Johnson Controls Batteries Limited (cont'd)

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the statement of directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

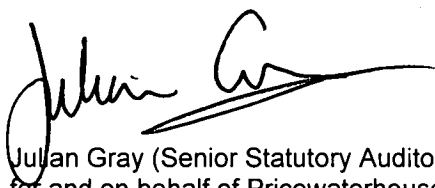
This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any 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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements. We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic report and Directors' report, we consider whether those reports include the disclosures required by applicable legal requirements.



Julian Gray (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Southampton
22 June 2017

Johnson Controls Batteries Limited

Statement of comprehensive income for the year ended 30 September 2016

	Note	2016 £'000	2015 £'000
Turnover	5	39,959	48,911
Cost of sales		(36,370)	(42,288)
Gross profit		3,589	6,623
Administrative expenses		(3,259)	(2,594)
Foreign exchange gains		4,692	699
Operating profit	6	5,022	4,728
Interest receivable and similar income	7	13	54
Interest payable and similar charges	8	(99)	(88)
Profit on ordinary activities before taxation		4,936	4,694
Tax on profit on ordinary activities	10	(991)	(963)
Profit for the financial year		3,945	3,731
Total comprehensive income for the year		3,945	3,731

All results relate to continuing operations.

Johnson Controls Batteries Limited

Statement of financial position at 30 September 2016

	Note	2016 £'000	2015 £'000
Fixed assets			
Tangible assets	11	42	9
		42	9
Current assets			
Debtors	12	32,010	30,241
Deferred tax asset	13	7	7
		32,017	30,248
Creditors – amounts falling due within one year	14	(16,190)	(18,333)
Net current assets		15,827	11,915
Total assets less current liabilities and net assets		15,869	11,924
Capital and reserves			
Called up share capital	15	576	576
Retained earnings		15,293	11,348
Total equity		15,869	11,924

The notes on pages 11 to 20 are an integral part of these financial statements.

The financial statements on pages 8 to 20 were approved by the Board of directors on 16 June 2017 and were signed on its behalf by:



A Manastire

Director

Johnson Controls Batteries Limited
Registered number: 982901

Johnson Controls Batteries Limited

Statement of changes in equity for the year ended 30 September 2016

	Note	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance as at 1 October 2014		576	7,617	8,193
Profit for the financial year		-	3,731	3,731
Balance as at 30 September 2015		576	11,348	11,924
Profit for the financial year		-	3,945	3,945
Balance as at 30 September 2016	15	576	15,293	15,869

Retained earnings represents accumulated comprehensive income for the year and prior periods.

Johnson Controls Batteries Limited

Notes to the financial statements for the year ended 30 September 2016

1 General information

Johnson Controls Batteries Limited ("the Company is a private company limited by shares, domiciled and incorporated in England. The address of its registered office is 9/10 The Briars, Waterberry Drive, Waterlooville, PO7 7YH.

The Company's principal activities are the sale and distribution of automotive batteries.

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 adopted FRS 102 in these financial statements.

The company has also chosen to early adopt SI 2015/980, incorporating changes to FRS 102 as a result of EU Accounting Directive 2013/34/EU.

Details of the transition to FRS 102 are disclosed in note 21.

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by certain financial assets measured at fair value through profit and loss.

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 20;

Section 4 'Statement of Financial Position'

Reconciliation of the opening and closing number of shares;

Section 7 'Statement of Cash Flows'

Presentation of a Statement of Cash Flow and related notes and disclosures;

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

Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in the statement of comprehensive income.

Section 33 'Related Party Disclosures'

Paragraphs 33.7, Disclosure of compensation for key management personnel.

Johnson Controls Batteries Limited

Notes to the financial statements for the year ended 30 September 2016 (cont'd)

3 Summary of significant accounting policies (cont'd)

Revenue recognition

Turnover represents the net invoiced value, excluding value added tax and net of rebates, of sales to customers and is recognised at the point of dispatch of goods or when risk has been passed to the customer.

Taxation

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

Current tax

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

Deferred tax

Taxable profits differ from comprehensive income in that, it excludes items of income or expense that are taxable or deductible in other periods. Tax deferred or accelerated as a result of timing differences between the treatment of certain items for taxation and for accounting purposes is provided in full with certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured at the average tax rates that are expected to apply in the periods which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax is measured on an undiscounted basis.

Pensions

The company operates a defined contribution scheme for the benefit of its employees, the assets of which are held separately from those of the company in independently administered funds.

On transition to FRS 102, the company also operated a defined benefit pension scheme. On 22 November 2014, it entered into a transaction to eliminate the financial risk from defined benefit pension scheme and pass the assets, risks and obligations to a third party by paying an insurance company £5,648,412 to "buy out" the scheme.

The cost of pensions under defined contribution schemes are charged to the statement of comprehensive income as incurred.

Functional and presentational currency

The company's functional and presentational currency is the 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.

Johnson Controls Batteries Limited

Notes to the financial statements for the year ended 30 September 2016 (cont'd)

3 Summary of significant accounting policies (cont'd)

Tangible assets and depreciation

Tangible assets are stated at historical purchase 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 based on prices prevailing at the reporting date, of each asset evenly over its expected useful economic life, on a straight line basis as follows:

Leasehold buildings	5 years
Fixtures and fittings	5 years
Office equipment	5 years

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. Payments under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

During the normal course of business the company acts as an intermediary lessor of a building under an operating lease. Operating lease income and rentals are recognised in the statement of comprehensive income in the period to which they relate.

Financial Instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Financial assets

Basic financial assets including trade and other debtors, cash and bank balances 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 the market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period the financial assets are assessed for evidence of impairment. Any impairment loss is recognised in the statement of comprehensive income.

Financial liabilities

Basic financial liabilities, including trade and other 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 classes as current liabilities if payment is due within one year or less.

Offsetting

Financial assets and liabilities are offset and the net amount 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.

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

Johnson Controls Batteries Limited

Notes to the financial statements for the year ended 30 September 2016 (cont'd)

Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions are aggregated unless, in the opinion of the directors separate disclosure is necessary to understand the effect of the transactions on the financial statements. It does not disclose transactions with members of the same group that are wholly owned.

4 Critical accounting judgements and estimation

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 a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are addressed in this note.

Rebates

The company offers product rebates to its customers based on sale volume. Contracts are for a period of 12 months or less which may span a different period to the company's reporting year. Recognition therefore requires the estimation of rebates that will be provided in respect of sales which have been made before the reporting date based on future estimated sales volumes.

5 Turnover

The whole of the turnover of the company is attributable to the selling of automotive batteries. A geographical analysis of turnover is as follows:

	2016 £'000	2015 £'000
United Kingdom	37,789	45,840
Europe	2,170	3,071
	39,959	48,911

6 Operating profit

	2016 £'000	2015 £'000
Operating profit is stated after charging/(crediting)		
Staff costs		
- wages and salaries	1,173	804
- social security costs	139	86
- other pension costs (note 17)	81	330
Total staff costs	1,393	1,220
Depreciation of tangible fixed assets (note 11)	11	5
Operating lease charges	174	189
Impairment of trade debtors	21	16
Rental income received	(100)	(100)
Foreign exchange gains	(4,692)	(699)
Auditors' remuneration		
- for audit services	43	26

Johnson Controls Batteries Limited

Notes to the financial statements for the year ended 30 September 2016 (cont'd)

7 Interest receivable and similar income

	2016 £'000	2015 £'000
Bank interest	-	42
Interest receivable from group undertakings	13	12
	13	54

8 Interest payable and similar charges

	2016 £'000	2015 £'000
Bank interest	87	75
Interest payable to group undertakings	12	13
	99	88

9 Directors and employees

Directors' emoluments	2016 £'000	2015 £'000
Aggregate emoluments of the directors	195	152
Company pension contributions to defined contribution scheme	7	4
	202	156

Highest paid director	2016 £'000	2015 £'000
Aggregate emoluments	138	102
Company pension contributions to defined contribution scheme	7	4
	145	106

Emoluments of two directors (2015: two) are borne by the company as disclosed above. Emoluments of two directors (2015: two) are borne by other Johnson Controls International plc companies as their services to the company are incidental to their services to the group as a whole.

No other amounts have been paid or are owed at 30 September 2016 (2015: £nil) in respect of services supplied by the directors to the company, since their services are incidental to their services to the group as a whole.

Retirement benefits were accruing to no directors (2015: no directors) under the defined benefit scheme and one director (2015: one) under defined contribution schemes.

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

Staff numbers	2016	2015
Administration	2	2
Selling and distribution	12	11
	14	13

Johnson Controls Batteries Limited

Notes to the financial statements for the year ended 30 September 2016 (cont'd)

10 Tax on profit on ordinary activities

	2016 £'000	2015 £'000
Current tax		
UK corporation tax at 20% (2015: 20.5%)	991	895
Prior year adjustment	-	2
Total current tax	991	897
Deferred tax		
Origination and reversal of timing differences	(1)	69
Prior year adjustment	-	(2)
Impact of change in corporation tax rate on timing differences	1	(1)
Total deferred tax	-	66
Total tax on profit	991	963

Reconciliation of tax charge

The tax assessed for the year is higher (2015: higher) than the standard rate of corporation tax in the UK of 20% (2015: 20.5%). The differences are explained below:

	2016 £'000	2015 £'000
Profit before taxation	4,936	4,694
Profit before taxation multiplied by standard rate of corporation tax in the UK of 20% (2015: 20.5%)	987	962
Effects of:		
Expenses not deductible for tax purposes	3	2
Impact of change in corporation tax rate on timing differences	1	(1)
Total charge for the year	991	963

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

Johnson Controls Batteries Limited

Notes to the financial statements for the year ended 30 September 2016 (cont'd)

11 Tangible assets

	Leasehold buildings £'000	Fixtures and fittings £'000	Office equipment £'000	Total £'000
Cost				
At 1 October 2015	-	18	23	41
Additions	44	-	-	44
At 30 September 2016	44	18	23	85
Accumulated depreciation				
At 1 October 2015	-	14	18	32
Charge for the year	6	2	3	11
At 30 September 2016	6	16	21	43
Net book value				
At 30 September 2016	38	2	2	42
At 30 September 2015	-	4	5	9

At 30 September 2016 future capital expenditure for the group authorised by the directors but not provided in the financial statements was £nil (2015: £nil).

12 Debtors

	2016 £'000	2015 £'000
Trade debtors	8,305	11,292
Amounts owed by group undertakings	18,651	17,418
Forward foreign exchange contracts (note 19)	4,168	1,363
Other debtors	886	168
	32,010	30,241

Amounts owed by group undertakings include an amount owed by a fellow group undertaking in relation to group cash pooling arrangement with Barclays Bank plc in which interest may arise at 1.45% above Barclays base rate.

Trade debtors are stated after provision for impairment of £21,000 (2015: £2,000).

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

13 Deferred tax

	2016 £'000	2015 £'000
Deferred tax asset recognised		
Accelerated capital allowances	7	7
		£'000
Asset recognised at 1 October 2015		7
Amount charged to comprehensive income		-
Asset recognised at 30 September 2016		7

Johnson Controls Batteries Limited

Notes to the financial statements for the year ended 30 September 2016 (cont'd)

14 Creditors – amounts falling due within one year

	2016 £'000	2015 £'000
Bank overdraft	1,423	5,240
Trade creditors	229	290
Amounts owed to group undertakings	9,998	7,495
Taxation and social security	600	2,027
Accruals and deferred income	3,940	3,281
	16,190	18,333

The Johnson Controls International plc group has a cash pooling arrangement with Bank Mendes Gans (BMG) which manages the funding requirement for EMEA group companies. BMG balances are unsecured and interest rates are set and calculated daily for each currency. Overdraft rates are equal to credit rates plus a margin of 1.2% to 1.5%.

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

15 Called up share capital

	2016 £'000	2015 £'000
Allotted and fully paid		
576,217 (2015: 576,217) ordinary shares of £1 each	576	576

Ordinary shares

Each share is entitled to one vote in any circumstance.

16 Operating lease commitments

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

	2016 £'000	2015 £'000
Within one year	157	126
Within two to five years	303	295
	460	421

The company has no other off balance sheet arrangements.

Johnson Controls Batteries Limited

Notes to the financial statements for the year ended 30 September 2016 (cont'd)

17 Pension costs

The company participates in the Johnson Controls (UK) Group Pension Scheme, which is a defined contribution plan. No amount was payable to the schemes at 30 September 2016 (2015: £nil).

The company also participated in the Johnson Controls Batteries Limited Pension & Life Assurance Scheme, which was a defined benefit plan. On 22 November 2014, the liabilities of the Scheme were secured with an insurance company via a buyout for a premium of £5,648,412.

The total amount charged to the statement of comprehensive income for each of these funds is as follows:

	2016	2015
	£'000	£'000
Settlement cost defined benefit scheme	-	268
Defined contribution scheme	81	62
Total charged to operating profit	81	330

18 Related party transactions

The company's immediate parent, Johnson Controls Autobatterie GmbH & Co KGaA, is an associate of Robert Bosch GmbH, which controls Robert Bosch Limited, a supplier and customer of the company.

The following are the related party transactions between the company and Robert Bosch Limited.

	2016	2015
	£'000	£'000
Purchases made from Robert Bosch Limited	1,155	1,419
Sales made to Robert Bosch Limited	12,545	15,429
Amounts owed to Robert Bosch Limited at 30 September included in trade creditors in note 14	-	154
Amounts owed by Robert Bosch Limited at 30 September included in trade debtors in note 12	2,236	2,255

Additionally, the company had the following transactions with Johnson Controls International plc group companies that are not wholly owned by its immediate parent company Johnson Controls Autobatterie GmbH & Co KGaA:

	2016	2015
	£'000	£'000
Sales of goods and services	160	421
Purchases of goods and services	822	1,007
Amounts receivable at 30 September included in note 12	7	170
Amounts payable at 30 September included in note 14*	4,855	3,839

*Included in amounts payable at 30 September 2016 is an amount of £4.8 million (2015: £3.8 million) relating to amounts payable for group relief claimed for corporation tax purposes.

Johnson Controls Batteries Limited

Notes to the financial statements for the year ended 30 September 2016 (cont'd)

18 Related party transactions (cont'd)

The company participates in a group cash pool arrangement. Details of which can be found in notes 12. The amount outstanding at the reporting date was as follows:

	2016 £'000	2015 £'000
Amounts receivable at 30 September included in note 12	18,607	17,216

The company also has forward exchange contracts, whereby all foreign currency is pooled and hedged at a group level. Further details can be found in notes 12 and 19.

19 Financial instruments

The company enters into forward exchange currency contracts to mitigate the exchange rate risk for the cost of goods sold. The foreign exchange contracts shown in note 12 are measured at fair value with any changes charged or credited to comprehensive income. The contracts mature at varying dates within 12 months of the statement of financial position reporting date.

The forward exchange contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key assumptions used in valuing the derivatives are forward exchange rates for GBP:EUR.

The company is committed to buy €35.3 million (2015: €30.1 million) for a fixed sterling price.

20 Ultimate parent undertaking and controlling party

The immediate parent undertaking, and controlling party is Johnson Controls Autobatterie GmbH & Co KGaA.

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

Johnson Controls International plc
1 Albert Quay
Cork
Ireland

21 First time adoption of FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements completed under UK GAAP were for the year ended 30 September 2015. The date of transition to FRS 102 was 1 October 2014. There have not been any changes to accounting policies resulting in a change in profit for the financial year ended 30 September 2015 or changes to total equity as at 1 October 2014 and 30 September 2015 between UK GAAP as previously reported and FRS 102. Accordingly no reconciliation has been presented.