

## **Merrychef Limited**

Report and Financial Statements

Year ended

31 December 2019

Company Number 2739846

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**Merrychef Limited**  
**Report and financial statements**  
**for the year ended 31 December 2019**

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**Directors**

A D Gray  
E John-Featherby

**Secretary and registered office**

Prima Secretary Limited, St. Ann's Wharf, 112 Quayside, Newcastle upon Tyne, NE1 3DX

**Company number**

2739846

# Merrychef Limited

## Strategic report for the year ended 31 December 2019

The directors present their strategic report together with the financial statements for the year ended 31 December 2019. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

### Business review and principal activities

The Company principally acts as an intermediate investment holding company and it is intended that this should continue.

The Company has been dormant within the meaning of Section 1169 of the Companies Act 2006 throughout the current and prior year. The Company did not trade during the period.

No statement of comprehensive income is presented with these financial statements because the Company has not received income, incurred expenditure or recognised any gains or losses during either the year under review or the preceding financial year. No Directors received any remuneration from the Company (2018: £nil) and the Company has no employees other than the Directors (2018: none).

The directors do not recommend payment of a dividend (2018: £nil).

### Section 172 statement

The directors of the Company consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 December 2019.

As an intermediate holding company our purpose is the maintenance of the value of our investments. As such, the directors recognize that:

- Employees in our directly and indirectly owned trading entities are fundamental and core to our business, and the delivery of the Company's and Welbilt Inc's strategic ambitions. The success of our business depends on attracting, retaining and motivating employees. We aim to be a responsible employer in our approach to remuneration, benefits and the health, safety and wellbeing of our employees.
- A strong mutually beneficial relationship with suppliers, customers, related parties and other stakeholders is also key to our success. Amongst our main stakeholders are our directly and indirectly owned trading entities and the directors engage with the leadership of those businesses in order to assess the priorities.
- All Welbilt companies are monitored on their compliance with relevant laws and corporate governance standards set by Welbilt Inc through various formal channels such as on-line training and external advisor input, with the goal being to promote high standards of business conduct across the business.

Where possible, the directors aim to act fairly with all stakeholders. However, there may be occasions when certain stakeholder interests may not be fully aligned with the Company's interests.

### Principal risks and uncertainties

Throughout the year, the Company identifies and reviews potential risk and uncertainties that could have a material impact on performance and has put in place internal processes and controls designed to mitigate these risks. Detailed planning processes and contingency plans are in place for adverse change to macro-economic conditions. Appropriate review and development processes are followed for all employees including for succession. The principal risks the Company is exposed to are as follows:

#### *Liquidity and interest rate risk*

The Company is a participant in the group treasury function which has the objective of maintaining a balance between continuity of funding and appropriately investing in the money markets. All cash management is performed centrally and the Company's cash position is monitored weekly. The Company's policy is also to maintain access to a mixture of long term and short term debt finance from group companies and to regularly review interest rates.

# **Merrychef Limited**

**Strategic report (*continued*)  
for the year ended 31 December 2019**


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## **Going Concern**

During December 2019 a new virus ("Covid-19") emerged in China and infections started to occur across Asia subsequently to the rest of the world in early 2020. On 11 March 2020 the World Health Organisation declared Covid-19 a pandemic and national governments have acted to implement a range of policies and actions to combat the virus and mitigate its economic impact to national markets and the global economy. The full extent of the Covid-19 economic impact remains uncertain and the directors continue to monitor the situation and impact on the Company. After careful consideration the directors have concluded that, as of the date of approval of these financial statements, it is reasonable to assess that the Company will be able to continue as a going concern. The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial wellbeing and support of Welbilt Inc, the ultimate parent company.

## **Approval**

This strategic report was approved on behalf of the Board on 23 October 2020.



A D Gray

**Director**

# Merrychef Limited

## Report of the directors for the year ended 31 December 2019

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The directors present their report together with the financial statements for the year ended 31 December 2019.

### Directors

The directors who held office during the year and to date were as follows:

A D Gray  
E John-Featherby (appointed 19 June 2020)  
J A J Rourke (resigned 19 June 2020)

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and exist at the date of this report.

### Directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

### On behalf of the Board



A D Gray

Director

Date: 23 October 2020

# Merrychef Limited

## Balance sheet at 31 December 2019

<b>Company number: 2739846</b>	<b>Note</b>	<b>2019 £'000</b>	<b>2018 £'000</b>
<b>Fixed assets</b>			
Investments	3	8,728	8,728
<b>Total assets less current liabilities</b>		<b>8,728</b>	<b>8,728</b>
<b>Net assets</b>		<b>8,728</b>	<b>8,728</b>
<b>Capital and reserves</b>			
Called up share capital	4	-	-
Profit and loss account		8,728	8,728
		<b>8,728</b>	<b>8,728</b>

For the financial year ended 31 December 2019 the Company was entitled to exemption from audit under section 480 Companies Act 2006 and no notice has been deposited under section 476. The directors acknowledge their responsibilities for ensuring that the Company keeps accounting records which comply with section 386 and for preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and which otherwise comply with the requirements of the Companies Act 2006 in so far as they are applicable to the Company.

The financial statements were approved by the Board of Directors and authorised for issue on 23 October 2020.



A Gray

Director

The notes on pages 5 to 7 form part of these financial statements.

# Merrychef Limited

## Notes forming part of the financial statements for the year ended 31 December 2019

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### 1 Accounting policies

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

The following principal accounting policies have been applied:

#### *Consolidated Financial Statements*

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in the publicly available consolidated financial statements of Welbilt Inc. These financial statements present information about the Company as an individual undertaking and not about its group.

#### *Cash Flow*

The Company has taken advantage of the exemption in FRS102 under paragraph 1.12 which allows exemption from the requirements of Section 7 Statement of cash flows and Section 3 Financial Statement Presentation paragraph 3.17(d) in relation to cash flows. The Company is included in the consolidated financial statements of Welbilt Inc. Refer to Note 7 for more information on where to obtain a copy of the consolidated financial statements.

#### *Investments*

Investments are held at cost less permanent diminution in value.

#### *Financial assets*

Financial assets are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

#### *Financial liabilities and equity*

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

#### *Reserves*

The Company's reserves include:

- Called up share capital reserve represents the nominal value of the shares issued.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

# Merrychef Limited

## Notes forming part of the financial statements for the year ended 31 December 2019 *(continued)*

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### **1 Accounting policies *(continued)***

#### *Current and deferred taxation*

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company's subsidiaries operate and generate taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

### **2 Judgements in applying accounting policies and key sources of estimation uncertainty**

In preparing these financial statements, the directors have made the following judgements:

Investments are held at cost less permanent diminution in value. Judgement has been applied by the directors in estimating the recoverability of loans and investments.



# Merrychef Limited

Notes forming part of the financial statements  
for the year ended 31 December 2019 (continued)

## 3 Investments

	2019 £'000	2018 £'000
<b>Cost:</b>		
At the beginning of the year	8,728	8,728
Acquired during the year	-	-
At the end of the year	<u>8,728</u>	<u>8,728</u>

The subsidiaries (both direct and indirect) of the Company at the end of the year are:

Company	Country of Incorporation	Proportion of voting rights and ordinary share capital held 2019/2018
<i>Direct</i>		
Welbilt (Halesowen) Limited	UK	100%
<i>Indirect</i>		
Welbilt UK Limited	UK	100%

The registered office address for both Welbilt (Halesowen) Limited and Welbilt UK Limited is St. Ann's Wharf, 112 Quayside, Newcastle upon Tyne, NE1 3DX.

## 4 Share capital

	2019 £'000	2018 £'000
<i>Allotted, called up and fully paid</i>		
2 (2018: 2) ordinary shares of £1 each	-	-
	<u>-</u>	<u>-</u>

## 5 Related party disclosures

The Company is a wholly owned subsidiary of Welbilt Inc. and has taken advantage of the exemption conferred under FRS 102 not to disclose transactions with Welbilt Inc. or other wholly owned subsidiaries within the group.

## 6 Subsequent events

There are no events subsequent to the reporting date.

## 7 Ultimate parent company

The Company's immediate parent is Enodis Group Limited, a company incorporated in England and Wales. The Directors regard Welbilt Inc., a company incorporated in Delaware, USA, as the ultimate parent company and controlling entity. At the reporting date the Company is part of the Enodis Group Limited consolidated group, which would be the smallest group in which the Company forms a part. Welbilt Inc. is the largest group which prepares consolidated results and of which the Company forms a part. Copies of the financial statements of Welbilt Inc. for the year to 31 December 2019 can be obtained from the Secretary at 2227 Welbilt Boulevard, New Port Richey, Florida 34655, USA.