

Enodis International Limited

Report and Financial Statements

Year ended

31 December 2019

Company Number 2992272

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Enodis International Limited

Report and financial statements for the year ended 31 December 2019

Contents

Page:

1	Strategic report
2	Report of the directors
3	Statement of comprehensive income
4	Balance sheet
5	Statement of changes in equity
6	Notes forming part of the financial statements

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

2992272

Enodis International 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 serves as an investment holding company. No change to this activity is envisaged.

The statement of comprehensive income is set out on page 3 and shows a profit before tax of £1.1m (2018 – profit of £1.0m).

The Company has undertaken a review of the carrying amounts of loans due from its fellow group companies at year end and has recognised impairment provisions against such balances to reflect instances where there is a net equity deficit in the balance sheets of those counterparties and the directors' do not consider the loans to be recoverable. This has resulted in no requirement for an impairment in 2019 (2018: no impairment).

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.

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

Enodis International Limited

Report of the directors for the year ended 31 December 2019

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

Enodis International Limited

Statement of Comprehensive Income for the year ended 31 December 2019

	Note	2019 £'000	2018 £'000
Total administrative expenses	3	-	-
Operating loss		-	-
Interest payable and similar charges	4	(1,717)	(1,706)
Interest receivable and similar income	4	2,834	2,724
Profit on ordinary activities before taxation		1,117	1,018
Taxation on profit on ordinary activities	5	-	-
Profit for the financial year		1,117	1,018
Comprehensive income for the year		1,117	1,018

The notes on pages 6 to 9 form part of these financial statements.

Enodis International Limited

Balance sheet at 31 December 2019

Company number: 2992272	Note	2019 £'000	2019 £'000	2018 £'000	2018 £'000
Current assets					
Debtors	6	75,564		75,564	
		<u>75,564</u>		<u>75,564</u>	
Creditors: amounts falling due within one year	7	(45,977)		(47,094)	
Net current assets			29,587		28,470
Total assets less current liabilities			29,587		28,470
Net assets			29,587		28,470
Capital and reserves					
Called up share capital	8		40,000		40,000
Equity reserve			35,000		35,000
Profit and loss account			(45,413)		(46,530)
			29,587		28,470

For the year ended 31 December 2019 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

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 6 to 9 form part of these financial statements.

Enodis International Limited

Statement of changes in equity For the year ended 31 December 2019

	Share capital £'000	Equity reserve £'000	Profit & loss account £'000	Total Equity £'000
1 January 2019	40,000	35,000	(46,530)	28,470
Comprehensive income for the year				
Profit for the year	-	-	1,117	1,117
Total comprehensive income for the year	-	-	1,117	1,117
Contributions by and distributions to owners				
Capital contribution	-	-	-	-
Total comprehensive income for the year	-	-	-	-
31 December 2019	40,000	35,000	(45,413)	29,587
1 January 2018	40,000	35,000	(47,548)	27,452
Comprehensive income for the year				
Profit for the year	-	-	1,018	1,018
Total comprehensive income for the year	-	-	1,018	1,018
Contributions by and distributions to owners				
Capital contribution	-	-	-	-
Total comprehensive income for the year	-	-	-	-
31 December 2018	40,000	35,000	(46,530)	28,470

The notes on pages 6 to 9 form part of these financial statements.

Enodis International Limited

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

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 11 for more information on where to obtain a copy of the consolidated financial statements.

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.

Enodis International Limited

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

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.

3 Operating profit

The Company has undertaken a review of the carrying amounts of loans due from its fellow group companies at year end and has recognised impairment provisions against such balances to reflect instances where there is a net equity deficit in the balance sheets of those counterparties and the directors' do not consider the loans to be recoverable.

No Directors received any remuneration from the Company (2018: £nil). The Company has no employees other than the Directors (2018: none)

Enodis International Limited

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

4 Interest and similar charges/income

	2019 £'000	2018 £'000
Analysis of interest:		
Interest payable on amounts owed to group undertakings	(1,717)	(1,706)
Interest receivable on amounts owed by group undertakings	2,834	2,724
	<u>1,117</u>	<u>1,018</u>

5 Taxation on profit on ordinary activities

	2019 £'000	2018 £'000
Profit on ordinary activities before tax	<u>1,117</u>	<u>1,018</u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2018 – 19%)	212	193
Effects of:		
Utilisation of tax losses brought forward	<u>(212)</u>	<u>(193)</u>
Total tax charge for period	<u>-</u>	<u>-</u>

6 Debtors

	2019 £'000	2018 £'000
Amounts owed by group undertakings	75,564	75,564
	<u>75,564</u>	<u>75,564</u>

For both the current and prior years the amounts owed by group undertakings bear interest at Bank of England base rate plus 300 basis points and are payable on demand.

Enodis International Limited

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

7 Creditors: amounts falling due within one year	2019	2018
	£'000	£'000
Amounts owed to group undertakings	45,977	47,094
	45,977	47,094

For both the current and prior years the amounts owed to group undertakings bear interest at Bank of England base rate plus 300 basis points and are payable on demand.

8 Share capital	2019	2018
	£'000	£'000
<i>Allotted, called up and fully paid</i>		
40,000,001 (2018: 40,000,000) ordinary shares of £1 each	40,000	40,000
	40,000	40,000

9 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.

10 Subsequent events

There are no events subsequent to the reporting date.

11 Ultimate parent company

The Company's immediate parent is Enodis Industrial Holdings Limited, a company incorporated in England and Wales. The Directors regard Welbilt Inc., a company incorporated in the US, 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 period up to 31 December 2019 can be obtained from the Secretary at 2227 Welbilt Boulevard, New Port Richey, Florida 34655, USA.