

## **Manitowoc Foodservice UK Limited**

Report and Financial Statements

Year ended

31 December 2014

Company Number 2656967

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# **Manitowoc Foodservice UK Limited**

## **Report and financial statements for the year ended 31 December 2014**

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### **Directors**

C Cammoile  
J D Hobbs  
G P B Veal

### **Secretary and registered office**

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

### **Company number**

2656967

### **Auditors**

BDO LLP, 55 Baker Street, London, W1U 7EU

# Manitowoc Foodservice UK Limited

## Strategic report for the year ended 31 December 2014

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The directors present their strategic report together with the audited financial statements for the year ended 31 December 2014.

### Business review and principal activities

The principal activity of the business continues to be the manufacture, sale and aftermarket support of commercial catering and food service equipment, including equipment brought in from other members of the worldwide Manitowoc Foodservice Group.

The income statement is set out in page 7 and shows a profit before tax of £8.0m (2013 - £6.7m).

Turnover fell, slightly, in line with expectations (2014 - £72.0m; 2013 - £73.4m), due to timing of roll outs at major customers offset by organic growth and continued investment in new products.

The business and financial climate remain uncertain in certain sectors and regions but the directors, having reviewed their business plan, are confident of continued progress.

### Principal risks and uncertainties

Throughout the year, the company identifies and reviews potential risks 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 changes 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 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.

#### *Credit risk*

The company's credit risk is primarily attributable to its trade debtors. Credit risk is managed by running credit checks on new customers and by monitoring payments against contractual agreements.

#### *Price risk/competitive market risk*

The company is exposed to commodity price risk. The company does not manage locally its exposure to commodity price risk due to cost benefit considerations but benefits from such hedges as may from time to time be taken out at group level.

#### *Foreign exchange risk*

Foreign exchange risk is mitigated by taking forward cover through the corporate treasury function based in USA for any potential exposures.

Group risks are dealt with in the Annual Report of The Manitowoc Company Inc, the ultimate parent organisation.

# Manitowoc Foodservice UK Limited

Strategic report  
for the year ended 31 December 2014 (*continued*)

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## Going concern

The directors, having considered the uncertainties of the economic environment, the availability of finance, the restructuring of the balance sheet during the year together with their business plan have concluded that it is appropriate to prepare the accounts on a going concern basis.

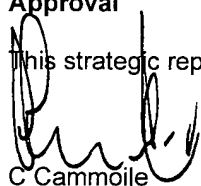
## Key performance indicators

Financial key performance indicators are employed and the directors are satisfied that the following KPI's reflect the progress of the business:

	2014	2013
Growth of sales	(2%)	67%
Gross margin %	24%	22%
Operating margin	11%	9%
Inventory turns	7.6	9.1

## Approval

This strategic report was approved on behalf of the Board on 30 July 2015



C Cammoile

Director

# **Manitowoc Foodservice UK Limited**

## **Report of the directors for the year ended 31 December 2014**

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The directors present their report together with the audited financial statements for the year ended 31 December 2014.

### **Directors**

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

M Behle (resigned 29 May 2015)  
C Cammoile  
M Hicks (resigned 10 November 2014)  
J D Hobbs  
G P B Veal

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; 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.

# Manitowoc Foodservice UK Limited

## Report of the directors for the year ended 31 December 2014 (*continued*)

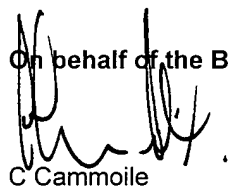
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### Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Board



C Cammoile

Director

30<sup>th</sup> July 2015

Date

# **Manitowoc Foodservice UK Limited**

## **Independent auditor's report**

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### **TO THE MEMBER OF MANITOWOC FOODSERVICE UK LIMITED**

We have audited the financial statements of Manitowoc Foodservice UK Limited for the year ended 31 December 2014 which comprises the Income Statement, Statement of Financial Position, Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the statement of directors' responsibilities, 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). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 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.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Manitowoc Foodservice UK Limited

### Independent auditor's report (*continued*)

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#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*BDO LLP*

Marc Reinecke (Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
London  
United Kingdom

*31/7/2015*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

# Manitowoc Foodservice UK Limited

## Income statement for the year ended 31 December 2014

	Note	2014 £'000	2013 £'000
Turnover	3	71,966	73,410
Cost of sales		(54,502)	(57,370)
<b>Gross profit</b>		<b>17,464</b>	<b>16,040</b>
Distribution costs		(7,342)	(7,116)
Administrative expenses		(2,124)	(2,093)
<b>Operating profit</b>	4	<b>7,998</b>	<b>6,831</b>
Interest payable and similar charges	5	(44)	(154)
<b>Profit on ordinary activities before taxation</b>		<b>7,954</b>	<b>6,677</b>
Taxation on profit on ordinary activities	8	(338)	1,048
<b>Profit for the financial year</b>		<b>7,616</b>	<b>7,725</b>

All amounts relate to continuing activities.

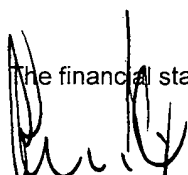
There are no other recognised gains or losses other than the profit for the year.

The notes on pages 10 to 19 form part of these financial statements.

# Manitowoc Foodservice UK Limited

## Balance sheet at 31 December 2014

<i>Company number: 2656967</i>	Note	2014 £'000	2014 £'000	2013 £'000	2013 £'000
<b>Fixed assets</b>					
Tangible assets	10		1,933		2,015
<b>Current assets</b>					
Stocks	11	5,203		5,122	
Debtors	12	16,837		14,044	
Cash at bank and in hand		-		8,274	
		<u>22,040</u>		<u>27,440</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(12,647)</u>		<u>(15,541)</u>	
<b>Net current assets</b>			<u>9,393</u>		<u>11,899</u>
<b>Total assets less current liabilities</b>			<u>11,326</u>		<u>13,914</u>
<b>Creditors: amounts falling due after more than one year</b>	13		(76)		(114)
<b>Provision for liabilities</b>	15		<u>(1,692)</u>		<u>(1,858)</u>
<b>Net assets</b>			<u>9,558</u>		<u>11,942</u>
<b>Capital and reserves</b>					
Called up share capital	18		1,500		1,500
Profit and loss account			<u>8,058</u>		<u>10,442</u>
			<u>9,558</u>		<u>11,942</u>



C Cammoile  
Director

The financial statements were approved by the Board of Directors and authorised for issue on 30 July 2015

The notes on pages 10 to 19 form part of these financial statements.

# Manitowoc Foodservice UK Limited

## Statement of changes in equity For the year ended 31 December 2014

	Share capital £'000	Profit and loss account £'000	Total equity £'000
1 January 2014	1,500	10,442	11,942
<b>Comprehensive income for the year</b>			
Profit for the year	-	7,616	7,616
	<hr/>	<hr/>	<hr/>
<b>Contributions by and distributions to owners</b>			
Dividends	-	(10,000)	(10,000)
	<hr/>	<hr/>	<hr/>
<b>31 December 2014</b>	<b>1,500</b>	<b>8,058</b>	<b>9,558</b>
	<hr/>	<hr/>	<hr/>
1 January 2013	1,500	(6,522)	(5,022)
<b>Comprehensive income for the year</b>			
Profit for the year	-	7,725	7,725
	<hr/>	<hr/>	<hr/>
<b>Contributions by and distributions to owners</b>			
Dividends	-	(19,706)	(19,706)
Capital contribution	-	28,945	28,945
	<hr/>	<hr/>	<hr/>
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>9,239</b>	<b>9,239</b>
	<hr/>	<hr/>	<hr/>
<b>31 December 2013</b>	<b>1,500</b>	<b>10,442</b>	<b>11,942</b>
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The notes on pages 10 to 19 form part of these financial statements.

# Manitowoc Foodservice UK Limited

## Notes forming part of the financial statements for the year ended 31 December 2014

### 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.

FRS 102 is mandatory for accounting periods beginning on or after 1 January 2015 but may be applied early to periods ending on or after 31 December 2013. Manitowoc Foodservice UK Limited has taken the option to apply the standard early in the preparation of these financial statements. The directors have considered the requirements of FRS 102 compared to former UK GAAP and have identified no material adjustments. Consequently no reconciliation of equity under former UK GAAP to FRS 102 has been presented.

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:

#### *Turnover*

Turnover represents sales to external customers at invoiced amounts less value added tax or local taxes on sales. Turnover is recognised when the risks and rewards of owning the goods has passed to the customer which is generally on delivery

#### *Tangible fixed assets*

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

#### *Depreciation*

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Plant and machinery	- 10-20% per annum
Fixtures, fittings, tools and equipment	- 10-33% per annum
Motor vehicles	- 25-33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the income statement.

#### *Grants*

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the profit and loss account at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

# Manitowoc Foodservice UK Limited

## Notes forming part of the financial statements for the year ended 31 December 2014 (*continued*)

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### 1 Accounting policies (*continued*)

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value being the estimated selling price less costs to complete and sell. Finished stocks include manufacturing overheads but exclude selling, distribution and administrative overheads.

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

#### *Foreign currency translation*

Foreign currency transactions are translated into the group entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

#### *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.

#### *Dividends*

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

#### *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 by the reporting date.

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

# Manitowoc Foodservice UK Limited

## Notes forming part of the financial statements for the year ended 31 December 2014 (*continued*)

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### 1 Accounting policies (*continued*)

#### *Leased assets*

Rentals under operating leases are charged to profit or loss on a straight-line basis over the term of the lease.

#### *Pension costs*

Contributions to the group's defined contribution pension scheme are charged to profit or loss in the year in which they become payable.

#### *Holiday pay accrual*

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

#### *Onerous leases*

Where the unavoidable costs of a lease exceed the economic benefit expected to be received from it, a provision is made for the present value of future obligations under the lease.

#### *Dilapidations*

Provision for dilapidations is made in respect of the contractual requirement to restore properties at the end of their period of lease to their original state.

#### *Warranty*

A provision is made for the anticipated costs of meeting warranty obligations from the point of sale to the end of the warranty period.

#### *Statement of cashflows*

The company wishes to take the exemption from preparing a statement of cashflows afforded under FRS102 on the basis that publicly available consolidated financial statements, in which it is included, are prepared by the ultimate parent company, The Manitowoc Company, Inc. Copies of the financial statements of The Manitowoc Company, Inc. can be obtained from the Secretary at 2400 South 44<sup>th</sup> Street, PO Box 66, Manitowoc, WI 54221-0066.

# Manitowoc Foodservice UK Limited

Notes forming part of the financial statements  
for the year ended 31 December 2014 (*continued*)

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

In preparing these financial statements, the directors have applied the following judgements, where uncertainty over the amounts recognised exists.

### *Stock provision (note 11)*

Management has judged that historic sales and usage of products will reflect their future demand, and that the provisions applied are sufficient to write the products down to the fair value.

### *Warranty provision (note 15)*

In calculating the provision for warranty costs management has judged that future failure rates will be no worse or better than prevailed during the year, and that the cost of these repairs will not differ to the historic cost of similar repairs.

## 3 Analysis of turnover

	2014 £'000	2013 £'000
Analysis of turnover by country of destination:		
United Kingdom	44,054	48,173
Europe, Middle East and Africa	8,740	7,770
Asia Pacific	2,137	1,768
Americas and Rest of the World	17,035	15,699
	<u>71,966</u>	<u>73,410</u>

## 4 Operating profit

	2014 £'000	2013 £'000
This is arrived at after charging/(crediting):		
Depreciation of tangible fixed assets	546	594
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	53	48
Taxation compliance services	14	14
Exchange differences	9	(26)
Defined contribution pension cost	319	377
Plant and machinery - operating lease rentals payable	670	591
Land and buildings - operating lease rentals payable	878	780
Profit on disposal of fixed assets	-	(6)
	<u></u>	<u></u>

# Manitowoc Foodservice UK Limited

Notes forming part of the financial statements  
for the year ended 31 December 2014 (*continued*)

<b>5</b>	<b>Interest payable</b>	<b>2014</b>	<b>2013</b>
		<b>£'000</b>	<b>£'000</b>
	Analysis of interest paid:		
	Group companies	34	154
	Bank and other interest	10	-
		<u>44</u>	<u>154</u>
<b>6</b>	<b>Employees</b>	<b>2014</b>	<b>2013</b>
		<b>£'000</b>	<b>£'000</b>
	Staff costs (including directors) consist of:		
	Wages and salaries	9,354	9,188
	Social security costs	1,024	992
	Cost of defined contribution scheme	319	377
		<u>10,697</u>	<u>10,557</u>
	The average number of employees (including directors) during the year was as follows:		
		<b>2014</b>	<b>2013</b>
		<b>Number</b>	<b>Number</b>
	Management and administration	21	18
	Production and service	160	152
	Selling and distribution	92	91
		<u>273</u>	<u>261</u>
<b>7</b>	<b>Directors' remuneration</b>	<b>2014</b>	<b>2013</b>
		<b>£'000</b>	<b>£'000</b>
	Directors' emoluments	523	510
	Company contributions to money purchase pension schemes	9	9
		<u>532</u>	<u>519</u>

There was 1 (2013 - 1) director in the company's defined contribution pension scheme during the year.

During the year, there were 2 (2013 - 2) directors in a defined benefit pension scheme operated by another Group company to whom the contributions were paid.

Emoluments of the highest paid director were £203,125 (2013 - £201,929) and pension contributions of £83,326 (2013 - £60,911).

# Manitowoc Foodservice UK Limited

Notes forming part of the financial statements  
for the year ended 31 December 2014 (continued)

8	Taxation on profit on ordinary activities	2014 £'000	2013 £'000
	<i>UK corporation tax</i>		
	Current tax on profits of the year	-	-
	Adjustment in respect of previous periods	-	-
		<hr/>	<hr/>
	Total current tax	-	-
	<i>Deferred tax</i>		
	Origination and reversal of timing differences	478	831
	Adjustments in respect of prior years	(140)	217
		<hr/>	<hr/>
	Taxation on profit on ordinary activities	338	1,048
		<hr/>	<hr/>

The tax assessed for the year is lower than the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2014 £'000	2013 £'000
Profit on ordinary activities before tax	7,954	6,677
	<hr/>	<hr/>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	1,710	1,552
Effects of:		
Expenses not deductible for tax purposes	57	1
Profits on disposal of fixed assets	-	(1)
Group relief claimed	(1,253)	(721)
Adjustments in respect of prior years	(140)	217
Difference in deferred tax and current tax rates used	(36)	-
	<hr/>	<hr/>
Total tax charge for year	338	1,048
	<hr/>	<hr/>

For further information on deferred tax balances see note 16.

9	Dividends	2014 £'000	2013 £'000
	£6.66 (2013 - £Nil) per ordinary share	10,000	-
		<hr/>	<hr/>

# Manitowoc Foodservice UK Limited

Notes forming part of the financial statements  
for the year ended 31 December 2014 (*continued*)

## 10 Tangible fixed assets

	Leaseholds improvements £'000	Construction in progress £'000	Plant, machinery and motor vehicles £'000	Fixtures, fittings and equipment £'000	Total £'000
<i>Cost</i>					
At 1 January 2014	-	-	2,768	4,359	7,127
Reclassification	1,208	-	-	(1,208)	-
Disposals	-	-	(3)	-	(3)
Additions	-	369	38	57	464
At 31 December 2014	<b>1,208</b>	<b>369</b>	<b>2,803</b>	<b>3,208</b>	<b>7,588</b>
<i>Depreciation</i>					
At 1 January 2014	-	-	1,884	3,228	5,112
Reclassification	511	-	-	(511)	-
Disposals	-	-	(3)	-	(3)
Charge for the year	90	-	248	208	546
At 31 December 2014	<b>601</b>	<b>-</b>	<b>2,129</b>	<b>2,925</b>	<b>5,655</b>
<i>Net book value</i>					
At 31 December 2014	<b>607</b>	<b>369</b>	<b>674</b>	<b>283</b>	<b>1,933</b>
At 31 December 2013	-	-	884	1,131	2,015

## 11 Stocks

	2014 £'000	2013 £'000
Raw materials and consumables	2,778	3,261
Finished goods and goods for resale	2,425	1,861
	<b>5,203</b>	<b>5,122</b>

In the opinion of the directors, there is no material difference between the balance sheet value of stocks and their replacement value.

Stocks recognised as an expense in the year were £41,727,000 (2013 - £46,074,000).

The charge recognised in the income statement for the period in respect of stock provisions was £125,207 (2013 - £155,408 credit).

# Manitowoc Foodservice UK Limited

Notes forming part of the financial statements  
for the year ended 31 December 2014 (continued)

## 12 Debtors

	2014 £'000	2013 £'000
Trade debtors	222	6,016
Amounts owed by parent and fellow subsidiary undertakings	13,884	4,736
Other debtors	13	127
Prepayments and accrued income	858	967
Deferred tax asset (note 16)	1,860	2,198
	<u>16,837</u>	<u>14,044</u>

All amounts shown under debtors are due or recoverable under one year except the deferred tax asset which is recoverable after more than one year.

The charge recognised in the income statement for the period in respect of bad and doubtful trade debtors was £126,701 (2013 - £49,672 credit).

## 13 Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Bank overdraft	853	-
Trade creditors	6,257	5,142
Amounts owed to parent and subsidiary undertakings	3,011	8,054
Other taxes and social security	441	368
Accruals and deferred income	2,085	1,977
	<u>12,647</u>	<u>15,541</u>

## 14 Creditors: amounts falling due after more than one year

	2014 £'000	2013 £'000
Deferred income	76	114
	<u>76</u>	<u>114</u>

Included within creditors: amounts falling due within one year and creditors: amounts falling due after more than one year is deferred government grant income of £114,002 (2013 - £161,137). This relates to government grants for capital expenditure. Amounts recognised in the income statement during the year total £47,135 (2013 - £47,135).

## 15 Provisions for liabilities

	Warranty £'000	Dilapidations £'000	Onerous lease £'000	Total £'000
At 1 January 2014	1,379	142	337	1,858
Charged/(credited) to income statement	1,550	-	(204)	1,811
Utilised in year	(1,379)	-	(133)	(1,977)
	<u>1,550</u>	<u>142</u>	<u>-</u>	<u>1,692</u>
At 31 December 2014	1,550	142	-	1,692

# Manitowoc Foodservice UK Limited

## Notes forming part of the financial statements for the year ended 31 December 2014 (*continued*)

### 16 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The pension charge represents contributions payable to the funds and amounted to £318,976 in the year (2013 - £377,222). At 31 December 2014 outstanding contributions amounted to £51,078; there were no outstanding contributions at 31 December 2013.

In the UK, the Manitowoc Group operates a defined benefit scheme, the Berisford (1948) Pension Scheme ("the scheme"). The scheme provides retirement benefits based on final pensionable salary and years of service. The assets of the scheme are held in separable trustee administered funds.

The Directors, having taken actuarial advice, believe that it is not possible for each member of the group pension scheme to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis and have therefore opted to account for the purposes of FRS 102 as though the scheme was a defined contribution scheme. Consequently the financial implications of any future surplus or deficit will be recognised as an asset or liability only in the balance sheet of Enodis Group Limited.

The financial statements of Enodis Group Limited show a net pension liability for this scheme of £14.6m (2013 - £11.5m) under FRS 102. As an associated employer the company may become liable for part or the whole of the deficit in the scheme in the event of a winding up of the principal employer or other associated employer.

The latest full actuarial valuation was carried out at 31 March 2011 and was updated at 31 December 2013 by a qualified independent actuary on the basis of existing UK GAAP, being FRS 17. The contributions paid to Enodis Group Limited for the year were £165,364 (2013 -£132,000).

### 17 Deferred taxation asset

	£'000
At 1 January 2014	2,198
Credited to profit and loss	(338)
	<hr/>
At 31 December 2014	1,860
	<hr/>

	Recognised		Unrecognised	
	2014	2013	2014	2013
	£'000	£'000	£'000	£'000
The deferred tax asset is as follows:				
Losses carried forward	635	2,198	-	-
Depreciation in excess of capital allowances	1,225	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,860	2,198	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

# Manitowoc Foodservice UK Limited

Notes forming part of the financial statements  
for the year ended 31 December 2014 (*continued*)

## 18 Share capital

	2014 £'000	2013 £'000
<i>Allotted, called up and fully paid</i>		
1,500,000 Ordinary shares of £1 each	1,500	1,500

## 19 Commitments under operating leases

The company had minimum lease payments under non-cancellable operating leases as set out below:

	Land and buildings 2014 £'000	Other 2014 £'000	Land and buildings 2013 £'000	Other 2013 £'000
Not later than 1 year	774	477	1,039	577
Later than 1 year and not later than 5 years	2,370	523	2,682	601
Later than 5 years	578	-	1,040	-
	<u>3,722</u>	<u>1,000</u>	<u>4,761</u>	<u>1,179</u>

## 20 Related party disclosures

The company has taken the available exemption under FRS 102 not to disclose transactions with any wholly owned members of the group.

Key management personnel comprise the directors of this company, with no other members of management having the authority, responsibility for planning, directing and controlling the activities of the company. Their total remuneration has been disclosed within note 7. No directors were remunerated by means not disclosed within that note.

## 21 Ultimate parent company

The company's immediate parent is Manitowoc Beverage Systems Limited, a company incorporated in England and Wales.

The Directors regard The Manitowoc Company Inc, a company incorporated in Wisconsin, USA, as the ultimate parent company and controlling entity. Enodis Group Limited is the smallest group which prepares consolidated results and of which the company forms a part.

The Manitowoc Company, Inc. is the largest group which prepares consolidated results and of which the company forms a part. Copies of the financial statements of The Manitowoc Company, Inc. can be obtained from the Secretary at 2400 South 44<sup>th</sup> Street, PO Box 66, Manitowoc, WI 54221-0066.