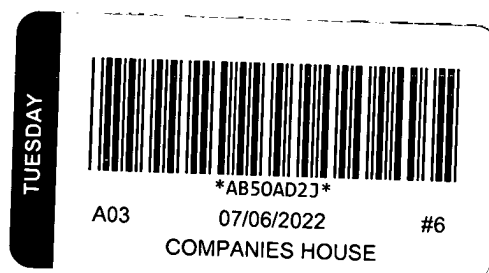


Registration number: 04393789

Dover Refrigeration & Food Equipment UK Ltd.

Annual Report and Financial Statements

For the year ended 31 December 2021



Dover Refrigeration & Food Equipment UK Ltd.

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Dover Refrigeration & Food Equipment UK Ltd.

Company information

Directors	V Fisson L Esse R Amir
Secretary	L Esse
Registered office	Midland House, 2 Poole Road, Bournemouth, Dorset, BH2 5QY
Registration number	04393789
Independent auditors	Mazars LLP Chartered Accountants and Statutory Auditors One St Peter's Square Manchester M2 3DE
Bankers	Deutsche Bank 6 Bishopsgate London EC2N 4DA
Solicitors	Mishcon de Reya Summit House 12 Red Lion Square London WC1R 4QD

Dover Refrigeration & Food Equipment UK Ltd.

Strategic report for the year ended 31 December 2021

The directors present their Strategic report for the year ended 31 December 2021.

Business review and principal activities

The Company's principal activity continued to be holding investments in certain other subsidiaries of Dover Corporation that are related to the Refrigeration & Food Equipment segment of the business. The Company is a private company limited by shares.

The Company's loss for the financial year was £29,012,000 (2020: profit of £88,304,000). During the year, the continued currency volatility led to foreign currency loss of £50,504,000 (2020: gain of £48,372,000) and more specifically to GBP/EUR and GBP/SEK volatility. The directors have at the time of approving the financial statements a reasonable expectation that the Company has adequate resources to support operations for the foreseeable future.

At 31 December 2021, the Company's net assets were £738,988,000 (2020: £788,000,000).

Key performance indicators

The directors are of the opinion that given the simple nature of the Company's operations, analysis using key performance indicators is not necessary or appropriate for an understanding of the development, performance or position of the business.

Principal risks and uncertainties and financial risk management

The principal risk for the Company is the underlying performance of the investments held. The directors believe that the organization and management of the underlying businesses is sound and that, despite continuing general economic uncertainty, the returns from the businesses will be satisfactory in the future. Regarding the COVID-19 outbreak, the directors are not aware of any significant risks that jeopardise the going concern status of the Company.

Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the Company's finance department. The Company has a policy and procedures manual that sets out specific guidelines to manage interest rate risk and credit risk.

Price risk

The Company has a limited exposure to commodity price risk as a result of its operations. Given the size of the Company's operations, the costs of managing exposure to commodity price risk exceed any potential benefits. The directors will revisit the appropriateness of this policy should the Company's operations change in size or nature.

Credit risk

The main transactions of the Company are with companies within the group, and so the Company has limited exposure to credit risk.

Liquidity risk

The management of the Company's liquidity risk resides with the parent company.

Dover Refrigeration & Food Equipment UK Ltd.

Strategic report

for the year ended 31 December 2021 (continued)

Interest rate risk

The Company has interest bearing intercompany payables and receivables. Interest on the intercompany advance account is reviewed quarterly and interest on loan notes are fixed. The directors will revisit the appropriateness of this policy should the Company's operations change in size or nature.

Foreign exchange risk

The Company has loans to group undertakings which are denominated in Swedish Krona and Euros hence it is exposed to volatility when translating these amounts to Sterling.

On behalf of the board

DocuSigned by:

Lionel Esse

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L Esse
Director

Date: 05.05.2022

Dover Refrigeration & Food Equipment UK Ltd.

Directors' report for the year ended 31 December 2021

The directors present their Annual report and audited financial statements of the Company for the year ended 31 December 2021.

Directors

The directors who served the Company during the year and up to the date of financial statements being approved, unless otherwise stated, were as follows:

L Esse
V Fisson
R Amir

Dividends

In December 2021, a dividend of £20,000,000 was paid to the parent Company, Dover Fluids UK Ltd. (2020: £43,000,000).

Financial risk management

Information on the Company's financial risk management policies can be found in the Strategic report.

Future development

The directors consider that income derived from its investments and loan notes will enable the Company to maintain a healthy and satisfactory financial position.

Going concern

In the future, the costs of the Company will be covered by interest income from loan notes issued and dividend income from investments. The directors believe that the underlying business will generate profits and dividends receivable in the future that will supply an appropriate return on the investments and therefore the directors believe the Company to be a going concern.

Directors' confirmations

The directors consider that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

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

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

Dover Refrigeration & Food Equipment UK Ltd.

Directors' report

for the year ended 31 December 2021 (continued)

Independent auditors

Mazars LLP will be deemed to be reappointed for the current year in accordance with Section 487 of the Companies Act 2006.

On behalf of the board

.....
L Esse
Director

DocuSigned by:
Lionel Esse
AB7AA72AB6B8495...

Date: 05.05.2022
.....

Dover Refrigeration & Food Equipment UK Ltd.

Statement of directors' responsibilities in respect of the financial statements

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

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

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Dover Refrigeration & Food Equipment UK Ltd.

Independent auditor's report to the members of Dover Refrigeration & Food Equipment UK Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Dover Refrigeration & Food Equipment UK Limited (the "Company") for the year ended 31 December 2021 which comprise the profit and loss account, balance sheet and statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, Dover Refrigeration & Food Equipment UK Ltd's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Dover Refrigeration & Food Equipment UK Ltd.

Independent auditor's report to the members of Dover Refrigeration & Food Equipment UK Ltd. (continued)

Reporting on other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Opinions on other matters 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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities for the financial statements and the audit

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Dover Refrigeration & Food Equipment UK Ltd.

Independent auditor's report to the members of Dover Refrigeration & Food Equipment UK Ltd. (continued)

Responsibilities for the financial statements and the audit (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

Dover Refrigeration & Food Equipment UK Ltd.

Independent auditor's report to the members of Dover Refrigeration & Food Equipment UK Ltd. (continued)

Responsibilities for the financial statements and the audit (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

This report is made solely to the Company's members as a body 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 members 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 members as a body for our audit work, for this report, or for the opinions we have formed.

Neil Barton

.....
Neil Barton (Senior Statutory Auditor)
For and on behalf of Mazars LLP,
Chartered Accountants and Statutory Auditors
1 St Peter's Square
Manchester
M2 3DE

Date: 6 May 2022.....

Dover Refrigeration & Food Equipment UK Ltd.

Profit and loss account

for the year ended 31 December 2021

	Note	2021 £ 000	2020 £ 000
Administrative expenses		(9,058)	63
Foreign exchange (loss)/gain		<u>(50,504)</u>	<u>48,372</u>
Operating (loss)/profit	4	(59,562)	48,435
Interest receivable and similar income	6	30,550	27,371
Interest payable and similar expenses	7	<u>-</u>	<u>(164)</u>
(Loss)/profit before taxation		(29,012)	75,642
Tax on (loss)/profit	8	<u>-</u>	<u>12,662</u>
(Loss)/profit for the financial year		<u>(29,012)</u>	<u>88,304</u>

All activities of the Company are from continuing operations.

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement above.

No separate statement of comprehensive income has been presented because the Company has no other comprehensive income other than (loss)/profit for the financial year.

The notes on pages 14 to 24 form an integral part of these financial statements.

Dover Refrigeration & Food Equipment UK Ltd.

Balance sheet

as at 31 December 2021

Registration number: 04393789

	Note	2021 £ 000	2020 £ 000
Fixed assets			
Investments	9	<u>35,873</u>	<u>35,873</u>
Current assets			
Debtors (including £678,180,000 (2020: £737,119,000) falling due after more than one year)	10	702,762	752,081
Cash at bank and in hand		<u>674</u>	<u>75</u>
		703,436	752,156
Creditors: amounts falling due within one year	11	<u>(321)</u>	<u>(29)</u>
Net current assets		<u>703,115</u>	<u>752,127</u>
Total assets less current liabilities		<u>738,988</u>	<u>788,000</u>
Net assets		<u>738,988</u>	<u>788,000</u>
Capital and reserves			
Called up share capital	12	1	1
Share premium account	13	242,937	242,937
Retained earnings		<u>496,050</u>	<u>545,062</u>
Total shareholders' funds		<u>738,988</u>	<u>788,000</u>

The financial statements on pages 11 to 24 were approved and authorised by the board of directors on 05.05.2022 and were signed on its behalf by:

DocuSigned by:

Lionel Esse

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L Esse
Director

Date: 05.05.2022

The notes on pages 14 to 24 form an integral part of these financial statements.

Dover Refrigeration & Food Equipment UK Ltd.

Statement of changes in equity

for the year ended 31 December 2021

	<i>Called up share capital £ 000</i>	<i>Share premium account £ 000</i>	<i>Retained earnings £ 000</i>	<i>Total shareholders' funds £ 000</i>
At 1 January 2020	1	242,937	499,758	742,696
Profit for the financial year	-	-	88,304	88,304
Dividends (Note 14)	-	-	(43,000)	(43,000)
At 31 December 2020	<u>1</u>	<u>242,937</u>	<u>545,062</u>	<u>788,000</u>
Loss for the financial year	-	-	(29,012)	(29,012)
Dividends (Note 14)	-	-	(20,000)	(20,000)
At 31 December 2021	<u>1</u>	<u>242,937</u>	<u>496,050</u>	<u>738,988</u>

The notes on pages 14 to 24 form an integral part of these financial statements.

Dover Refrigeration & Food Equipment UK Ltd.

Notes to the financial statements

for the year ended 31 December 2021

1 General information

Dover Refrigeration & Food Equipment UK Ltd is a private company limited by shares and is incorporated and domiciled in the United Kingdom and registered in England. The address of its registered office is Midland House, 2 Poole Road, Bournemouth, Dorset, BH2 5QY.

The Company is a wholly owned subsidiary of Dover Fluids UK Ltd and of its ultimate parent, Dover Corporation. The Company's results are included in the consolidated financial statements of Dover Corporation which are publicly available and may be obtained from its principal place of business which is 3005 Highland Parkway Suite 200, Downers Grove, IL 65015, USA. Therefore, the Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are the Company's separate financial statements.

2 Accounting policies

Statement of compliance

The Company's financial statements have been prepared in compliance with United Kingdom accounting standards, including Financial Reporting Standard 102, "the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies 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.

Basis of preparation

The financial statements of Dover Refrigeration & Food Equipment UK Ltd were authorised for issue by the Board of Directors on05..05.. 2022. The financial statements have been prepared in accordance with applicable accounting standards. The financial statements have been prepared in Sterling which is the functional currency of the Company rounded to the nearest thousand. These financial statements are prepared on a going concern basis, under the historical cost convention.

The Company has taken advantage of the following disclosure exemptions under FRS 102:

- (a) The requirement to prepare a statement of cash flows, under FRS102 paragraph 1.12(b), on the basis that it is a qualifying entity and its ultimate parent company, Dover Corporation, includes the Company's cash flows in its own consolidated financial statements [Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17 (d)].
- (b) The requirement to disclose transactions with wholly owned subsidiaries within the group. [Section 33 Related Party Disclosures paragraph 33.1a].

Dover Refrigeration & Food Equipment UK Ltd.

Notes to the financial statements

for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)

Basis of preparation (continued)

- (c) the requirements of Sections 11 and 12 for certain financial instrument disclosures, as listed by section 1, paragraph 1.12 (c), where such disclosures are presented in the consolidated financial statements of the group in which the Company is consolidated.

Going concern

In the future, the costs of the Company will be covered by interest income from loan notes issued and dividend income from investments. The directors believe that the underlying business will generate profits and dividends receivable in the future that will supply an appropriate return on the investments and therefore the directors believe the Company to be a going concern.

Investments

Investments in subsidiary undertakings and associates are accounted for at cost less any provision for impairment. The value of investments is reviewed annually by the directors or more frequently if there is a triggering event and provision made where the investment's carrying amount exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account. Where an impairment loss subsequently reverses, the carrying amount of the investment is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined had no impairment losses been recognised for the investment in prior years. A reversal of impairment loss is recognised immediately in the profit and loss account.

Financial Instruments

The Company has chosen to adopt Sections 11 'Basic Financial Instruments' of FRS 102, in respect of financial instruments.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

Basic financial assets, including amounts owed by group undertakings and other receivables and 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 a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Dover Refrigeration & Food Equipment UK Ltd.

Notes to the financial statements for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

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

Financial liabilities

Basic financial liabilities, including amounts owed to group undertakings and other payables and loans from fellow group companies that are classified as debt, 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 receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting

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

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively as interest receivable and similar income or interest payable and similar expenses.

Dover Refrigeration & Food Equipment UK Ltd.

Notes to the financial statements for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)

Interest income

Interest income is recognised as interest accrues using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to its net carrying amount.

Finance cost

Finance costs are charged to Profit and loss account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Bank charges are recognised in the period in which they are incurred.

Foreign currencies

Transactions denominated in foreign currencies are translated into Sterling and recorded at the date of transaction. All balances denominated in a foreign currency are translated at the closing rate for the period. Any foreign exchange gains or losses arising are taken to the Profit and loss account in the year in which they arise and are included in administrative expenses.

Taxation

Taxation expense for the period comprises current tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively. Current taxation assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Related party transactions

The Company discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the Directors, separate disclosure is necessary to understand the effect of the transactions on the financial statements.

Share capital

Ordinary shares issued by the Company are recorded at the proceeds received, net of transaction costs.

Cash

Cash includes cash in hand and deposits held at call with banks. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

Dividends

Dividends distributions to Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the Company's shareholders. These amounts are recognised in the statement of changes in equity.

Dover Refrigeration & Food Equipment UK Ltd.

Notes to the financial statements

for the year ended 31 December 2021 (continued)

3 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the Balance sheet date and the amounts reported for income and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The Company applied no material judgements within the period.

The following estimate is dependent upon assumptions which could change in the next financial year and have a material effect on the carrying amounts of assets and liabilities recognised at the Balance sheet date:

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the Company performs impairment tests based on a value in use calculation. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

4 Operating (loss)/profit

Operating (loss)/profit is stated after charging/(crediting):

	2021 £ 000	2020 £ 000
Foreign exchange losses/(gains)	50,504	(48,372)
Auditor's remuneration -audit	<u>9</u>	<u>9</u>

The intercompany loans are denominated in Euro and Swedish Krona. The foreign exchange loss (2020: gain) arose on the translation into Sterling at the closing rate for the period.

There are no amounts payable to the auditors for any non-audit services.

Dover Refrigeration & Food Equipment UK Ltd.

Notes to the financial statements for the year ended 31 December 2021 (continued)

5 Employee information and directors' remuneration

The directors did not receive any emoluments during the year (2020: £nil). The directors received emoluments from Dover Luxembourg Participations Sarl during the year, as their services to Dover Refrigeration & Food Equipment UK Ltd were merely incidental to their other services within the group. An allocation for their services to this Company cannot be determined.

The Company had no employees during the year (2020: None).

6 Interest receivable and similar income

	2021 £ 000	2020 £ 000
Interest receivable on amounts owed by group undertakings	<u>30,550</u>	<u>27,371</u>

7 Interest payable and similar expenses

	2021 £ 000	2020 £ 000
Interest payable on amounts owed to group undertakings	<u>-</u>	<u>164</u>

Dover Refrigeration & Food Equipment UK Ltd.

Notes to the financial statements

for the year ended 31 December 2021 (continued)

8 Tax on (loss)/profit

	2021 £ 000	2020 £ 000
Current tax:		
Adjustments in respect of prior years	-	(12,662)
Total tax credit for the year	-	(12,662)
	2021 £ 000	2020 £ 000
(Loss)/profit before taxation	(29,012)	75,642
(Loss)/profit multiplied by the standard rate of corporation tax in the UK 19% (2020: 19%)	(5,512)	14,372
Tax effect on:		
Adjustments in respect of prior years	-	(12,662)
Effects of group relief/ other reliefs	5,512	(14,372)
Total tax credit for the year	-	(12,662)

Factors affecting the tax charge for the year and factors that may affect future tax charges

In the Budget 2021, the government announced that the rate of Corporation Tax will increase to 25% from 1 April 2023 for businesses with profits of £250,000 or more. The rate will remain at 19% until that date. This new law was substantively enacted in May 2021.

There are no unprovided amounts related to deferred tax.

Dover Refrigeration & Food Equipment UK Ltd.

Notes to the financial statements

for the year ended 31 December 2021 (continued)

9 Investments

	<i>Shares in associate undertakings £ 000</i>	<i>Shares in group undertakings £ 000</i>	<i>Total £ 000</i>
Cost			
At 1 January 2021	49	67,961	68,010
At 31 December 2021	49	67,961	68,010
Impairment			
At 1 January 2021	-	32,137	32,137
At 31 December 2021	-	32,137	32,137
Net book value			
At 31 December 2021	49	35,824	35,873
At 31 December 2020	49	35,824	35,873

The directors believe that the carrying value of the investments are supported by the recoverable amounts with no impairment necessary.

The subsidiaries and associates at 31 December 2021 are:

Subsidiary undertakings	Principal activities
Markem-Imaje Industries Ltd	Marketing, printing, imaging and related information technology systems
Markem-Imaje Pty Ltd	Marketing, printing, imaging and related information technology systems
Markem-Imaje Ltd	Marketing, printing, imaging and related information technology systems

Associates	Principal activities
Space Cooling Topco Limited	Installation and maintenance of refrigeration, heating, ventilation and air conditioning systems.

All subsidiaries are wholly owned, incorporated in the United Kingdom and are registered in England with the exception of Markem-Imaje Pty Ltd which is incorporated and registered in Australia.

The Company holds 49% of the issued share capital of Space Cooling Topco Limited.

Dover Refrigeration & Food Equipment UK Ltd.

Notes to the financial statements

for the year ended 31 December 2021 (continued)

10 Debtors

	2021 £ 000	2020 £ 000
Amounts falling due within one year:		
Amounts owed by parent undertakings	7,399	7,399
Income tax asset	294	-
Amounts owed by group undertakings	16,889	7,563
	<u>24,582</u>	<u>14,962</u>
Amounts falling due after one year:		
Amounts owed by group undertakings	678,180	737,119
	<u>702,762</u>	<u>752,081</u>

Amounts owed by parent undertakings are unsecured, have no fixed date of repayment, are repayable on demand and bear no interest.

The repayment date and interest rates of the amounts owed by group undertakings due after one year are shown below. All are unsecured and repayable in full on the maturity date.

Amounts owed by group undertakings				Maturity Date	Interest per annum
(£000)		(original currency '000)			
£157,702	(2020: £171,844)	kr 1,916,901.00	(2020: kr 1,918,465)	01-Jan-27	1.58%
£287,244	(2020: £307,075)	€ 339,979	(2020: € 339,979)	01-Jan-24	3.83%
£230,847	(2020: £246,784)	€ 273,227	(2020: € 273,227)	07-Jan-26	3.83%
£2,387	(2020: £11,416)	£11,416	(2020: £11,416)	30-Apr-24	5.00%

Dover Refrigeration & Food Equipment UK Ltd.

Notes to the financial statements

for the year ended 31 December 2021 (continued)

11 Creditors: amounts falling due within one year

	2021 £ 000	2020 £ 000
Amounts owed to parent undertakings	301	7
Accruals and deferred income	20	22
	<u>321</u>	<u>29</u>

Amounts owed to parent undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. During 2020, interest was charged based on sterling LIBOR 3 months plus 50 basis points.

12 Called up share capital

	2021 £ 000	2020 £ 000
<i>Allotted and fully paid</i>		
1,001 (2020: 1,001) ordinary shares of £1 each	<u>1</u>	<u>1</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

13 Share premium account

The share premium account contains the premium arising on issue of equity shares, net of issue expenses.

14 Dividends

	2021 £ 000	2020 £ 000
Dividends paid on ordinary shares	<u>20,000</u>	<u>43,000</u>

Dividends of £19,980.02 per ordinary share were paid during the year (2020: £42,957.04)

15 Related party transactions

The Company has taken advantage of the exemption under FRS102 Section 33 Related party disclosures (paragraph 33.1a) not to disclose transactions with fellow wholly owned subsidiaries.

Dover Refrigeration & Food Equipment UK Ltd.

Notes to the financial statements

for the year ended 31 December 2021 (continued)

16 Ultimate and immediate parent companies

The smallest and largest group in which the results of the Company are consolidated is that headed by Dover Corporation, a company incorporated in the USA, which is also the ultimate parent company and the ultimate controlling party. The consolidated financial statements of this group are available to the public and may be obtained from 3005 Highland Parkway, Suite 200, Downers Grove, IL 60515, USA.

Dover Fluids UK Ltd is the immediate parent company and is incorporated in the United Kingdom.

17 Investment registered addresses

The registered addresses of investments in subsidiaries and associates held at 31 December 2021 are:

Subsidiary undertakings	Registered address
Markem-Imaje Industries Ltd	Alexander Fleming Building, Nottingham Science Park, University Boulevard, Nottingham, NG7 2QN
Markem-Imaje Pty Ltd	Suite 2.01, T1 Building, 14-16 Lexington DriveBella Vista, Sydney, NSW 2153, Australia
Markem-Imaje Ltd	Brightgate House, Brightgate Way, Stretford, Manchester, England, M32 0TB
Associates	Registered address
Space Cooling Topco Limited	Causeway Central, Pioneer Park, Bristol, BS4 3QB

The Company owns 100% of the ordinary share capital of its subsidiary, Markem-Imaje Industries Ltd.

The Company owns 100% of the ordinary share capital of its subsidiary, Markem-Imaje Pty Ltd.

The Company owns 100% of the ordinary share capital of its subsidiary, Markem-Imaje Ltd.

The Company owns 49% of the ordinary share capital of its associate, Space Cooling Topco Limited.