

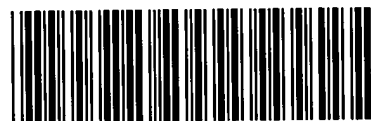
**AGA RANGEMASTER GROUP LIMITED**  
**(FORMERLY AGA RANGEMASTER GROUP PLC)**

**Annual Report and Financial Statements**

30 December 2017

Co No. 00354715

FRIDAY



A52      \*A7FF81B4\*      #29  
28/09/2018  
COMPANIES HOUSE

## STRATEGIC REPORT

These financial statements have been prepared in accordance with Financial Reporting Standard 102 'FRS 102'.

The directors present their strategic report for the year ended 30 December 2017.

### Principal activities

The principal activity continues to be an investment holding company of trading and non-trading subsidiary undertakings, see note 17. The company was acquired by The Middleby Corporation on 23 September 2015 and the company was delisted from the London Stock Exchange.

The profit and loss account is set out on page 9. The level of operating income increased. The company's financial position was as follows:

	30 December 2017	31 December 2016
	£m	£m
<b>Operating income</b>	<b>4.0</b>	<b>1.1</b>
<b>(Loss) / profit for year attributable to members of the parent company</b>	<b>(0.8)</b>	<b>9.9</b>

The operating income changed from £1.1m in the previous year to £4.0m for the year ended 30 December 2017 as exchange gains increased from £1.6m in the year to 31 December 2016 to £4.4m in the year to 30 December 2017.

The loss for the financial year attributable to members of the parent company amounted to £0.8m (31 December 2016: profit £9.9m) and included a £27.6m loss (31 December 2016: £8.8m gain) in respect of provisions against cost of investments and amounts owed to / from subsidiary undertakings and £23.1m (31 December 2016: £nil) income from investments.

The company's key financial performance indicator is the value of the investments held in the underlying subsidiaries – see note 9.

### Principal risks and uncertainties facing the group

The principal business risk and uncertainty facing the company is:

- Impairment of the investments in its subsidiaries

The principal business risks and uncertainties facing the subsidiary undertakings of the company are:

#### Financial risk management

In order to achieve our business objectives, the group must respond effectively to the associated risks. The group has established risk management procedures, involving the identification and monitoring of operational, regulatory, financial and market driven factors, at various levels throughout the business. The group takes a proactive approach to managing risks.

In current economic conditions with major financial imbalances the impact on the group can be sudden and material. This makes awareness and flexibility key to mitigating risks in rapidly changing conditions and important in identifying relevant business opportunities.

#### Competition / market erosion

The group operates in a number of competitive markets and as such the activities of our competitors can adversely affect its performance. The competition can be assessed on brand recognition, product features, reliability, quality, price, delivery, lead times and after sales service.

---

## STRATEGIC REPORT (continued)

### Competition / market erosion (continued)

To mitigate these risks:

The group believes it has sufficiently strong brand equity, exceptional product performance, short lead times, timely delivery, competitive pricing and customer service support to withstand competitor activity across its markets.

### General economic conditions

Factors influencing the performance of the group include macro-economic factors such as GDP growth, employment rates, Brexit, inflation and consumer confidence. In addition, particularly in the UK consumer market, factors which affect the market size and growth include the level of new home starts and kitchen refurbishments. A sustained period of underlying stability and upward growth within the UK housing market will benefit the operational gearing capabilities of the UK businesses.

### Health, safety and environmental

The safety of employees, customers and visitors to our premises is of critical importance. As a business with a range of activities including manufacturing, retail and off site services, the group is exposed to a number of health and safety risks.

The group is committed to adhering to environmental standards set by governments and other organisations. It recognises that an environmental incident could impact on the community in which we operate. Further, the environmental performance and reputation of our products may affect customer demand and the environmental performance of our operations impact profitability and efficiency.

To mitigate these risks:

- We are committed to achieving the highest standards. We conduct regular audits to ensure compliance with relevant laws and regulations. We review both incidents and 'near misses' to establish their root cause.
- We have a health and safety executive committee with a focus on these aspects of the business.
- Accreditation to ISO 9001:2008, ISO 14001:2004 and BS OHSAS 18001:2007 ensures a framework is in place with clear policies, procedures and audits.
- Our product development and value engineering programmes help ensure product performance is continuously improved, taking advantage of new and emerging technologies.

### Legal and regulatory

Compliance with laws and regulations is fundamental to the group's success. Changes to laws and regulatory requirements remain a source of both risk and opportunity throughout the group. In particular, changing regulations in the EU and the US, in respect of the energy efficiency of products.

To mitigate these risks:

- The group is committed to compliance with relevant laws and regulations and sees this compliance as central to the operations.
- We monitor the legal and regulatory environment within the countries in which we operate and maintain dialogue with relevant regulatory bodies. We take specialist public policy advice, if required. Management are tasked with ensuring that employees are aware of and comply with regulations and laws specific to their roles.
- In respect of product regulations our design team maintains an ongoing development programme to ensure that our product range remains compliant. This programme produces ever improving products which are also a source of opportunity for the group.

### People

The group requires skilled people to enable it to develop fully and exploit new opportunities. A failure to recruit quality personnel in a competitive market and develop existing talent might in time erode our competitive advantage. Further, a failure to plan adequately for succession could also damage the future prospects of the group.

To mitigate these risks:

- The group HR manager oversees the group's people strategy. This includes an annual review of its succession and personal development plans. The board is kept updated on key issues.
- Remuneration packages including fixed, variable and long-term elements and compensation arrangements are regularly benchmarked to ensure the group's remuneration policy remains in line with market practice.

**STRATEGIC REPORT (continued)****Supply chain**

The group's manufacturing operations require the timely supply of quality parts and materials.

Supply chain disruptions can adversely impact the group. Such disruptions include the failure of key suppliers and environmental or industrial accidents. Quality issues in the supply chain can also adversely impact the group as faulty or substandard parts are unacceptable.

To mitigate these risks:

- We closely monitor our supply chain and employ a range of strategies to reduce reliance on individual suppliers and minimise the impact of potential supplier failures.
- We conduct supplier audits to assess compliance with the terms of supply agreements including processes, product specifications and manufacturing conditions.

**Foreign currency risk**

The group's main transaction exposures are in respect of products manufactured in one currency region and sold in another currency and exposure through the movement in exchange rates on purchases of raw materials and other goods that are not denominated in sterling. These are mainly imports from Asia and the United States of America ('US') which are denominated in US Dollars and imports of component parts from Europe which are denominated in Euros. To mitigate this, the currency outflows are partly offset by inflows of US Dollars relating to UK exports to US markets and inflows of Euros in respect of UK exports to the eurozone respectively. Forward currency contracts may also be used to reduce exposure to variability of foreign exchange rates.

**Liquidity and funding risk**

The companies within the AGA Rangemaster Group Limited structure will continue to benefit from the ability to draw up to \$100 million of funding from the Middleby Corporation five-year \$2.5 billion multi-currency senior revolving credit facility announced on 3 August 2016.

**Interest rate and cash flow risk**

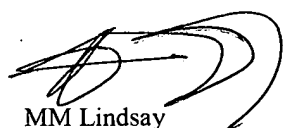
The group's interest rate risk will benefit from the above ability to draw funding from central Middleby committed facilities as part of the 2016 refinancing of the senior revolving credit facility. Borrowings issued at variable rates are partially offset by cash held at various rates. The group will continue to analyse its interest rate exposure on a regular basis and calculate the impact on the profit and loss for a defined interest rate shift.

**Credit and price risk**

The group monitors closely the availability of trade finance to its customers and suppliers. The ability for the group and its principal operations to maintain trade credit insurance on our customers is monitored on an ongoing basis. Where insurers inform us it is their intention to withdraw or reduce trade credit insurance cover on our customers we undertake detailed analysis on commercial and financial information available and actively manage the terms of trade with any such customers as appropriate. In addition, the ability of our suppliers to maintain credit insurance on the group and its principal operations is an important issue. We have excellent relationships with our suppliers and we continue to work closely with them on a normal commercial basis. There are no significant concentrations of credit risk within the group. The maximum credit risk exposure relating to financial assets is represented by their carrying value as at the balance sheet date.

The group's operations are exposed to risk in the price movement of key raw materials and energy. The group's operations manage these risks via naturally hedged two year fixed price contracts for gas and electricity, with one contract expiring each year. With regard to steel there is a one year partially fixed steel supply contract in place. The group continues to review exposure to any remaining commodity risk and mitigates these risks wherever possible.

This report was approved by the Board and signed on its behalf by:



MM Lindsay  
Director

25 September 2018

---

**DIRECTORS' REPORT – COMPANY NO. 00354715**

The directors present their report for the year ended 30 December 2017 together with the audited accounts of AGA Rangemaster Group Limited. The company changed its name on 21 March 2016 from AGA Rangemaster Group plc to AGA Rangemaster Group Limited and re-registered as a private company.

**1. Results for the year**

The profit and loss account is shown on page 9 of this report. The loss for the year after taxation amounted to £0.8m (31 December 2016: profit £9.9m). During the current year the group has continued with an exercise to streamline the group structure. The first stage of this in 2016 was to eliminate historic inter group balances between various group entities. This resulted in gains and losses in different businesses as the loans were waived, overall there was no impact on the UK group. The directors do not recommend payment of a dividend (31 December 2016: £nil).

**2. Future developments**

AGA Rangemaster Group Limited is part of the Residential Kitchen Equipment Group within The Middleby Corporation and benefits from the financial support of The Middleby Corporation. It is the intention of the directors that the company will continue to operate as an investment holding company for the foreseeable future. The directors view the results as satisfactory, as are the future prospects of the company.

**3. Going concern**

Given the ongoing financial support of The Middleby Corporation the directors believe it is appropriate to prepare the accounts on a going concern basis. The companies within The Middleby Corporation group structure will continue to benefit from the ability to draw up to \$100 million of funding from the Middleby Corporation five-year \$2.5 billion multi-currency senior revolving credit facility announced on 3 August 2016.

**4. Directors**

The directors of the company during the year were:-

TJ FitzGerald

MM Lindsay

A Zufia

**5. Creditor payment policy**

The company is responsible for establishing appropriate policies with regard to the payment of their suppliers. It agrees terms and conditions under which business transactions with suppliers are conducted. It is company policy that, provided a supplier is complying with the relevant terms and conditions, including the prompt and complete submission of all specified documentation, payment will be made in accordance with agreed terms. It is company policy to ensure that suppliers know the terms on which payment will take place when business is agreed.

The company had no trade creditors as at 30 December 2017 and 31 December 2016.

**6. Directors' qualifying third party indemnity provisions**

The company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' Report.

---

**DIRECTORS' REPORT (continued)****7. Auditors****Statement of disclosure to the auditors**

The directors who are members of the Board at the time of approving the Directors' Report are listed above. The directors confirm that:

- To the best of the directors' knowledge and belief, there is no relevant audit information of which the company's auditors are unaware, and
- The directors have taken all the steps that ought to have been taken as directors in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

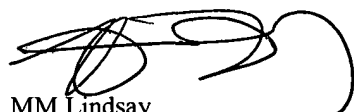
**Re-appointment of auditors**

In accordance with Section 485 of the Companies Act 2006, Ernst & Young LLP will remain as auditors of the company.

**8. Risks and uncertainties**

In accordance with the Companies Act 2006 section 414c(ii), the disclosure of the principal risks and uncertainties has been included in the Strategic Report.

By order of the Board



MM Lindsay  
Director  
25 September 2018

---

**STATEMENT OF 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 year. 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.

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.

# **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGA RANGEMASTER GROUP LIMITED**

## **Opinion**

We have audited the financial statements of AGA Rangemaster Group Limited for the year ended 30 December 2017 which comprise the Profit and Loss Account, the Statement of Changes in Equity, the Balance Sheet and the related notes 1 to 20, 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, the financial statements:

- give a true and fair view of the company's affairs as at 30 December 2017 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 those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

## **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 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.



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AGA RANGEMASTER GROUP LIMITED (CONTINUED)**

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

In the 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 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 of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

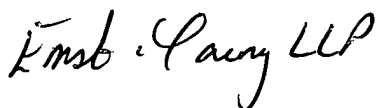
### **Auditors' responsibilities for the audit of the financial statements**

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 auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' report.

### **Use of our 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 auditors' 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.



Nigel Meredith (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor,  
Birmingham

28 September 2018

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 30 DECEMBER 2017:**

	Note	30 December 2017 £m	31 December 2016 £m
Operating income	3	4.0	1.1
<b>Profit on ordinary activities before exceptional items</b>		<b>4.0</b>	<b>1.1</b>
Income from investments		23.1	-
Loan waivers / provisions against amounts owed by Group undertakings and against cost of investments	4	(27.6)	8.8
<b>(Loss) / profit on ordinary activities before interest and taxation</b>		<b>(0.5)</b>	<b>9.9</b>
Bank interest receivable and similar income	6	2.0	1.4
Interest payable and similar charges	7	(0.7)	(1.4)
<b>Profit for the year before taxation on ordinary activities</b>		<b>0.8</b>	<b>9.9</b>
Tax charge on profit on ordinary activities	8	(1.6)	-
<b>(Loss) / profit for the financial year attributable to members of the parent company</b>		<b>(0.8)</b>	<b>9.9</b>

All activities are continuing.

**STATEMENT OF COMPREHENSIVE INCOME / (LOSSES)**

	Note	30 December 2017 £m	31 December 2016 £m
<b>(Loss) / profit for the financial year attributable to members of the parent company</b>		<b>(0.8)</b>	<b>9.9</b>
Actuarial losses	13	(0.1)	(2.5)
Return on scheme assets in excess of interest income	13	0.6	1.6
Movement on tax relating to pension scheme liability	8	(0.1)	0.2
<b>Total other comprehensive income / (losses)</b>		<b>0.4</b>	<b>(0.7)</b>
<b>Total comprehensive (losses) / income</b>		<b>(0.4)</b>	<b>9.2</b>


## STATEMENT OF CHANGES IN EQUITY

	Share capital £m	Share premium £m	Capital redemption reserve £m	Profit and loss account £m	Total equity £m
At 2 January 2016	32.7	39.6	75.0	248.7	396.0
Profit for the year	-	-	-	9.9	9.9
Other comprehensive loss	-	-	-	(0.7)	(0.7)
<b>Total comprehensive income for the year</b>	-	-	-	9.2	9.2
New shares issued	-	9.9	-	-	9.9
<b>At 31 December 2016</b>	<b>32.7</b>	<b>49.5</b>	<b>75.0</b>	<b>257.9</b>	<b>415.1</b>
Loss for the year	-	-	-	(0.8)	(0.8)
Other comprehensive gain	-	-	-	0.4	0.4
<b>Total comprehensive loss for the year</b>	-	-	-	(0.4)	(0.4)
<b>At 30 December 2017</b>	<b>32.7</b>	<b>49.5</b>	<b>75.0</b>	<b>257.5</b>	<b>414.7</b>

**BALANCE SHEET**  
**AS AT 30 DECEMBER 2017**

	Note	30 December 2017 £m	31 December 2016 £m
<b>Fixed assets</b>			
Investments	9	480.9	356.1
<b>Total fixed assets</b>		<b>480.9</b>	<b>356.1</b>
<b>Current assets</b>			
Debtors – amounts falling due within one year	10	49.3	222.0
Cash at bank and in hand	11a	0.8	0.8
<b>Total current assets</b>		<b>50.1</b>	<b>222.8</b>
<b>Creditors – amounts falling due within one year</b>			
Creditors	12	(110.1)	(142.4)
Borrowings	11b	(5.5)	(20.0)
<b>Total amounts falling due within one year</b>		<b>(115.6)</b>	<b>(162.4)</b>
<b>Net current (liabilities) / assets</b>		<b>(65.5)</b>	<b>60.4</b>
<b>Net assets excluding pension liability</b>		<b>415.4</b>	<b>416.5</b>
Defined benefit pension liability	13	(0.7)	(1.4)
<b>Net assets</b>		<b>414.7</b>	<b>415.1</b>
<b>Capital and reserves</b>			
Called up share capital	15	32.7	32.7
Share premium account	16	49.5	49.5
Capital redemption reserve	16	75.0	75.0
Profit and loss account		257.5	257.9
<b>Equity attributable to owners of the parent company</b>		<b>414.7</b>	<b>415.1</b>

The financial statements on pages 9 to 22 were approved by the Board of Directors on 25 September 2018 and were signed on its behalf by:



**MM Lindsay**  
**Director**

## NOTES TO THE ACCOUNTS

### 1. Accounting policies

#### Statement of compliance

AGA Rangemaster Group Limited is a limited liability company incorporated in England and Wales. The registered office changed to Meadow Lane, Long Eaton, Nottingham, NG10 2GD on 22 March 2017. Until 23 September 2015 the company was listed on the London Stock Exchange when it was acquired by The Middleby Corporation.

The company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the company for the year ended 30 December 2017.

#### Basis of preparation and change in accounting policy

The financial statements of AGA Rangemaster Group Limited were authorised for issue by the Board of Directors on 25 September 2018. The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency and rounded to the nearest tenth of a million pounds, except where otherwise stated

#### Basis of exemption from preparing consolidated financial statements

The exemption from preparing consolidated financial statements in section 401(1)(a) and section 401(1)(b) of the Companies Act 2006 has been applied as the following conditions have been met:

- The company and all of its subsidiary undertakings are included in the consolidated financial statements of a larger group drawn up to the same date by a parent undertaking. CA06 Sec 401(2)(a).
- The reporting parent's consolidated financial statements and annual report is drawn up in accordance with the provisions of the EC 7th or otherwise 'in a manner equivalent' to consolidated accounts and annual reports so drawn up. CA06 Sec 401(2)(b).
- The financial statements are audited by one or more persons authorised to audit accounts under the law under which the parent undertaking which draws them up is established. CA06 Sec 401(2)(c).
- It is noted in the company's individual financial statements that it is exempt from preparing consolidated financial statements.
- The name of the reporting parent is noted in the company's individual financial statements stating:
  - The reporting parent's country of incorporation, if it is incorporated outside the United Kingdom.
  - The address of the reporting parent's principal place of business, where it is unincorporated.
 CA06 Sec 401(2)(e).
- The company will deliver to the Registrar of Companies within the period allowed for delivering its individual financial statements a copy of the parent's consolidated financial statements and a copy of the parent's annual report together with the audit report thereon. CA06 Sec 401(2)(f).
- The company does not have any securities listed on a regulated market in an EEA member state. CA06 Sec 401(4). For this purpose, 'securities' include shares and stocks, debentures (including debenture stock, loan stock, bonds, certificates of deposit and other similar instruments), warrants and similar instruments and certain certificates and other instruments that confer rights in respect of securities. CA06 Sec 401(6).

The company is also exempt from delivering to the Registrar of Companies consolidated financial statements. CA06 Sec 401(2)(d).

#### Exemptions taken

A consolidated group cash flow statement has been included in The Middleby Corporation consolidated accounts; the company has therefore taken advantage of the exemption under FRS 102 not to produce a cash flow statement.

The company has taken advantage of the exemption permitted by FRS 102 not to disclose any transactions or balances with entities that are wholly owned by The Middleby Corporation.

#### Critical accounting estimates and judgements

##### Going concern

Given the ongoing financial support of The Middleby Corporation the directors believe it is appropriate to prepare the accounts on a going concern basis. The companies within the Aga Rangemaster Group Limited structure will now benefit from the ability to draw up to \$100 million of funding from the Middleby Corporation five-year \$2.5 billion multi-currency senior revolving credit facility announced on 3 August 2016.

---

**NOTES TO THE ACCOUNTS****1. Accounting policies (continued)****Critical accounting estimates and judgements (continued)**

The preparation of financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates under different assumptions and conditions. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

**Impairment** – the company determines whether its investments are impaired on an annual basis or more frequently if there are indicators of impairment. Other non-current assets are tested for impairment if there are indicators of impairment. Impairment testing requires an estimate of future cash flows and the choice of a suitable discount rate. Growth rates are based on current GDP forecasts for 2016 and the terminal growth rate is based on 2018 GDP forecasts by country. The Middleby discount rate of 10.2% for the AGA Rangemaster Group has been used for the discount rate.

**Retirement benefits and other post-employment benefits** – the valuation of the defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. In determining the appropriate discount rate, the directors consider the interest rates of corporate bonds with an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty.

**Tax** – provisions for tax accruals require judgements on the interpretation of tax legislation, developments in tax case law and the potential outcomes of tax audits and appeals. In addition, deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which they can be utilised. Judgement is required as to the amount that can be recognised based on the likely amount and timing of future taxable profits together with future tax planning strategies. Deferred tax balances are dependent on management's expectations regarding the manner and timing of recovery of the related assets.

**Cash**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

**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 fair value less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognised respectively in interest receivable and payable.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability at the balance sheet date.

**Foreign currencies**

The company's functional currency and the presentation currency is pounds sterling. Transactions in foreign currencies are initially recorded in the functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

The company enters into forward foreign currency contracts to mitigate the exchange risk for certain foreign intercompany receivables. The forward currency contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key assumptions used in valuing the derivatives are the forward exchange rates for GBP:EUR.

---

**NOTES TO THE ACCOUNTS****1. Accounting policies (continued)****Deferred tax**

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

■ provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

■ where there are differences between amounts that can be deducted for tax for assets (other than goodwill) and liabilities compared with the amounts that are recognised for those assets and liabilities in a business combination a deferred tax liability/(asset) shall be recognised. The amount attributed to goodwill is adjusted by the amount of the deferred tax recognised; and

■ unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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

**Investments**

Investments in subsidiaries are held at cost less provisions for impairment and reviewed for impairment annually where there are indicators that suggest the amount might not be recoverable.

**Provisions**

A provision is recognised when the company has a legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If the effect is material, expected future cash flows are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when recovery is virtually certain.

**Pensions and other post-retirement benefits**

The company operates the Amari plc Pension and Life Assurance Plan, a defined benefit pension scheme, which requires contributions to be made to separately administered funds.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of defined benefit obligations) and is based on actuarial advice. When a settlement or a curtailment occur the change in the present value of the scheme liabilities and the fair value of the plan assets reflects the gain or loss which is recognised in the income statement during the period in which it occurs.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, at the start of the period taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Re-measurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability (excluding amounts included in net interest) are recognised immediately in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

The defined net benefit pension asset or liability in the balance sheet comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

Contributions to defined contribution schemes are recognised in the profit and loss account in the period in which they become payable.

The company also participates in the AGA Rangemaster Group Pension Scheme, the disclosures for which are shown in the accounts of ARG Corporate Services Limited for the same period.

**NOTES TO THE ACCOUNTS**
**2. Directors' remuneration**

TJ Fitzgerald, MM Lindsay and A Zufia are paid by The Middleby Corporation. These directors neither received nor waived any emoluments in respect of their services to the company during the year (31 December 2016: £nil). The directors of the company are also, or have been, directors of one or more of the companies in the Group. The directors do not believe that it is practicable to apportion their emoluments between their services as directors of this company and their services as directors of other companies in the Group.

No directors exercised share options in the year (31 December 2016: nil). There were no short term employee benefits owed at 30 December 2017.

The accrued pension of the highest paid director as at 30 December 2017 was £nil (31 December 2016: £nil). There was no accrued lump sum at 30 December 2017 (31 December 2016: £nil).

**3. Operating income**

Operating profit for the year is stated after charging / (crediting):

	30 December 2017 £m	31 December 2016 £m
Recharge of remuneration and pension costs	(1.6)	(1.7)
Foreign exchange differences	(4.4)	(1.6)
Auditors' remuneration		
- Fees payable to auditors for the audit of the financial statements	0.1	0.1
- Fees payable by subsidiary companies	0.2	0.2

**4. Loan waivers / provisions against amounts owed by Group undertakings and against cost of investments**

During the year the group continued with an exercise to streamline the group structure. The first stage of this in 2016 was to eliminate historic inter group balances between various group entities. This resulted in gains and losses in different businesses as the loans are waived, overall there was no impact on the UK group. During 2017 various loans were capitalised and some were consequently impaired.

**5. Employee information**

	30 December 2017	31 December 2016
<b>Average number of employees (including directors)</b>		
Administration	9	9

	30 December 2017 £m	31 December 2016 £m
<b>Total staff costs (including directors)</b>		
Wages and salaries	1.3	1.5
Social security	0.2	0.1
Pension contributions	0.1	0.1
<b>Total staff costs</b>	<b>1.6</b>	<b>1.7</b>

The pension costs related to the defined benefit scheme are shown in note 13. Directors' remuneration is disclosed in note 2.



## NOTES TO THE ACCOUNTS

## 6. Bank interest receivable and similar income

	30 December 2017	31 December 2016
	£m	£m
Intra group interest receivable	2.0	1.4
<b>Bank interest receivable and similar income</b>	<b>2.0</b>	<b>1.4</b>

## 7. Interest payable and similar charges

	30 December 2017	31 December 2016
	£m	£m
Bank loan and overdrafts	0.5	1.2
Intra group interest payable	0.2	0.2
<b>Interest payable and similar charges</b>	<b>0.7</b>	<b>1.4</b>

## 8. Tax

	30 December 2017	31 December 2016
	£m	£m
<b>Tax on profit on ordinary activities</b>		
Current tax:		
UK corporation tax charge at 19.25% (31 December 2016: 20%)	1.0	0.2
Foreign tax	0.8	-
Adjustments in respect of prior years	(0.2)	(0.2)
	1.6	-
Deferred tax:		
Origination and reversal of timing differences	-	-
	-	-
<b>Tax charge on profit on ordinary activities</b>	<b>1.6</b>	<b>-</b>
	30 December 2017	31 December 2016
	£m	£m
<b>Tax included in other comprehensive income</b>		
Corporation tax credit	-	(0.1)
Deferred tax charge / (credit)	0.1	(0.1)
	0.1	(0.2)

## Factors affecting the total tax credit

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 19.25% (31 December 2016: 20%). The differences are reconciled below:

	30 December 2017	31 December 2016
	£m	£m
<b>Profit on ordinary activities before tax</b>	<b>0.8</b>	<b>9.9</b>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (31 December 2016: 20%)	0.2	2.0
Non-taxable loan waiver	-	(72.1)
Non-taxable income	(4.5)	-
Non-allowable loan waivers and loan impairments	(4.6)	65.8
Non-allowable impairment of investments	9.9	4.5
Foreign taxes withheld on foreign source income	0.8	-
Adjustments in respect of prior years	(0.2)	(0.2)
<b>Total tax charge</b>	<b>1.6</b>	<b>-</b>

Reductions in the UK corporation tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020 were substantively enacted on 26 October 2015. A further reduction in the UK corporation tax rate to 17% from 1 April 2020 was substantively enacted on 6 September 2016. Accordingly, the substantively enacted rates have been applied in the measurement of the deferred tax assets and liabilities as at 30 December 2017.

## NOTES TO THE ACCOUNTS

## 9. Investments

	Cost of shares £m	Provisions £m	Net book value £m
<b>Interest in subsidiaries</b>			
At beginning of year	470.7	(114.6)	356.1
Movement in year	176.5	(51.7)	124.8
<b>At end of year</b>	<b>647.2</b>	<b>(166.3)</b>	<b>480.9</b>

During 2017 various amounts owed by Group undertakings including AGA Home SAS, ACP Participations SAS and Grange SAS were recapitalised, these amounts were subsequently impaired together with their cost of shares due to indicators of impairment.

A list of subsidiaries is shown in note 17.

## 10. Debtors

	30 December 2017 £m	31 December 2016 £m
<b>Amounts falling due within one year</b>		
Amounts owed by Group undertakings	49.1	221.0
Deferred tax asset (note 14)	0.1	0.2
Corporation tax recoverable	-	0.7
Other receivables	0.1	0.1
<b>Debtors falling due within one year</b>	<b>49.3</b>	<b>222.0</b>

## 11. Cash and borrowings

## a) Cash

	30 December 2017 £m	31 December 2016 £m
Short-term bank deposits	0.8	0.8
<b>Cash</b>	<b>0.8</b>	<b>0.8</b>

## b) Financial liabilities – borrowings

	30 December 2017 £m	31 December 2016 £m
Bank borrowings	5.5	20.0
<b>Borrowings falling due within one year</b>	<b>5.5</b>	<b>20.0</b>
Short-term bank deposits	(0.8)	(0.8)
<b>Total borrowings</b>	<b>4.7</b>	<b>19.2</b>

The company's borrowings are primarily loan advances denominated in sterling and interest is based on GBP LIBOR. The loans are unsecured. The amounts falling due within one year are due for repayment in 2018.

## 12. Creditors

	30 December 2017 £m	31 December 2016 £m
<b>Amounts falling due within one year</b>		
Amounts owed to Group undertakings	108.5	141.6
Corporation tax	0.8	-
Accruals and deferred income	0.3	0.4
Other payables	0.5	0.4
<b>Total creditors falling due within one year</b>	<b>110.1</b>	<b>142.4</b>

## NOTES TO THE ACCOUNTS

### 13. Pensions

The company participates in the AGA Rangemaster Group Pension Scheme, which covers the majority of UK employees. This scheme includes members on a defined benefit basis of pension provision and members on a defined contribution basis of pension provision and the assets of the schemes are held in funds separate from the Group's assets. The FRS 102 disclosures of the AGA Rangemaster Group Pension Scheme as at 30 December 2017 are shown in the accounts of ARG Corporate Services Limited. The deficit of the AGA Rangemaster Group Pension Scheme as at 30 December 2017 is £233,637,000 (31 December 2016: £244,064,000) as shown in the accounts of ARG Corporate Services Limited.

AGA Rangemaster Group Limited cannot identify its share of the underlying assets and liabilities of the company scheme on a reasonable and consistent basis. The company is also joint and severally liable for other employees in the pension scheme, who are not employed by the company.

Contributions of £0.1m (31 December 2016: £0.1m) for the company's proportion of the contributions towards defined benefit pension scheme, were made in the year, which form part of the full disclosures shown in the accounts of ARG Corporate Services Limited as at 30 December 2017.

The company operates the Amari plc Pension and Life Assurance Plan ('Amari Plan') which is a defined benefit scheme in nature and provides benefits linked to years of service in the plan. The Amari Plan is frozen and no further benefits accrue to the members of the scheme beyond the date it was frozen. Members will receive or continue to receive payments for the benefits earned on or prior to this date upon reaching retirement age. The assets are held in trust funds separate from the company's assets. The latest full triennial actuarial valuation was carried out by Aon Hewitt Limited, independent consulting actuaries, as at 1 August 2014 using the projected unit credit method and showed an actuarial deficit of £2.2m. The defined benefit obligation at 30 December 2017 has been determined by rolling forward the results of the most recent valuation, allowing for known movements (such as the payment of benefits) and adjusting for the difference in actuarial assumptions.

Under the deficit recovery plan put in place on completion of the last full triennial actuarial valuation of the Amari Plan as at 1 August 2014, the following deficiency contributions have been paid or are payable into the plan: £145,000 in September 2015, £145,000 in January 2016, and £13,708 per month from 1 August 2014 to 31 October 2023 inclusive. The employer contributions to the scheme for the year ending 29 December 2018 are expected to be £0.2m (2017: £0.2m).

The financial assumptions used to calculate the defined benefit schemes' liabilities were:

	<b>30 December 2017</b>	<b>31 December 2016</b>
Rate of increase in pensionable salaries	<b>0.0</b>	0.0
Rate of increase of pensions in payment	<b>1.95</b>	2.00
Discount rate	<b>2.30</b>	2.50
Inflation rate – in payment	<b>3.20</b>	3.30
Inflation rate – in deferment	<b>2.20</b>	2.30
Mortality table	<b>101% of S2PXA normal tables</b>	101% of S2PXA normal tables
Future improvements	<b>CMI 2016 with 1.5% long term trend and smoothing factor of 7.5</b>	CMI 2013 with 1.5% long term trend

In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the applicable currency with at least 'AA' rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. Future salary increases and pension increases are based on expected future inflation rates for the applicable country. The mortality rate is based on publicly available mortality tables for the applicable country.

## NOTES TO THE ACCOUNTS

## 13. Pensions (continued)

The assets of the scheme were invested in the following classes of securities (none of which were securities of the company):

	30 December 2017		31 December 2016	
	%	£m	%	£m
<b>Assets and obligations:</b>				
UK equities securities	13	1.8	12	1.7
Overseas equities securities	22	3.1	21	2.9
Debt securities	61	8.7	64	8.8
Real estate / property	1	0.1	1	0.1
Cash and cash equivalents	3	0.4	1	0.1
Other	0	0.1	1	0.1
Fair value of scheme assets	100	14.2	100	13.7
Present value of funded obligation		(14.9)		(15.1)
<b>Net deficit in the scheme</b>		<b>(0.7)</b>		<b>(1.4)</b>

	30 December 2017	31 December 2016
	£m	£m
<b>The amounts recognised in the profit and loss are as follows:</b>		
Current service cost – defined benefit	-	-
Administration costs	-	-
Net interest cost on net defined benefit obligation	-	-
<b>Pension charge included in the profit and loss</b>	<b>-</b>	<b>-</b>

	30 December 2017	31 December 2016
	£m	£m
<b>Amounts recognised in other comprehensive income:</b>		
Actuarial losses	0.1	2.5
Return on scheme assets in excess of interest income	(0.6)	(1.6)
<b>Re-measurement (gains) and losses recognised in other comprehensive income</b>	<b>(0.5)</b>	<b>0.9</b>

	30 December 2017	31 December 2016
	£m	£m
<b>Movement in net deficit during the year:</b>		
Net deficit of the scheme at beginning of year	(1.4)	(0.8)
Net pension charge	-	-
Company contributions	0.2	0.3
Re-measurement gains and (losses) recognised in other comprehensive income	0.5	(0.9)
<b>Net deficit of the scheme at end of year</b>	<b>(0.7)</b>	<b>(1.4)</b>

	30 December 2017	31 December 2016
	£m	£m
<b>Changes in the present value of the defined benefit obligation are as follows:</b>		
Present value of obligation at beginning of year	15.1	12.6
Current service cost	-	-
Interest costs on defined benefit obligation	0.3	0.5
Actuarial losses	0.1	2.5
Benefit payments from scheme assets	(0.6)	(0.5)
<b>Present value of obligation at end of year</b>	<b>14.9</b>	<b>15.1</b>

	30 December 2017	31 December 2016
	£m	£m
<b>Changes in the fair value of scheme assets are as follows:</b>		
Fair value of scheme assets at beginning of year	13.7	11.8
Interest income on scheme assets	0.3	0.5
Return on scheme assets in excess of interest income	0.6	1.6
Company contributions	0.2	0.3
Benefit payments	(0.6)	(0.5)
<b>Fair value of scheme assets at end of year</b>	<b>14.2</b>	<b>13.7</b>

## NOTES TO THE ACCOUNTS

## 14. Deferred tax

Movement in deferred tax asset		Pension
		£m
At beginning of year		0.2
Charge in year – other comprehensive income		(0.1)
At end of year		<u>0.1</u>

Deferred tax asset	30 December 2017	31 December 2016
	£m	£m
Pension	0.1	0.2
Deferred tax asset	<u>0.1</u>	<u>0.2</u>

At 30 December 2017 the company had no unused tax losses (31 December 2016: £nil).

The company expects to make pension contributions of £0.2m during 2018 and therefore the deferred tax asset expected to reverse in 2018 is £0.1m.

## 15. Called up share capital and share based payments

Ordinary shares of 46.875p each Allotted, called up and fully paid	30 December 2017		31 December 2016	
	m	£m	m	£m
At beginning of year	69.8	32.7	69.8	32.7
Share based payment transactions	-	-	-	-
At end of year	<u>69.8</u>	<u>32.7</u>	<u>69.8</u>	<u>32.7</u>

On 24 September 2015 and on 13 January 2016 10,000 ordinary shares were issued to Middleby UK Residential Holding Limited at £1,000 per share to fund additional contributions to the AGA Rangemaster Group Pension Scheme.

All of the ordinary shares rank equally with respect to voting rights and rights to receive ordinary and special dividends. There are no restrictions on the rights to transfer shares.

## 16. Reserves

## Share premium account

This reserve records the amount above the nominal value received for shares sold less transaction costs.

## Capital redemption reserve

This reserve records the amounts that have arisen through share buy-backs and share consolidations in previous years.

---

**NOTES TO THE ACCOUNTS**
**17. Trading subsidiaries**

The following is a list of the company's subsidiaries at 30 December 2017. The share capital in each case consists, unless otherwise stated, wholly of ordinary shares, preference shares or common stock. All companies are either held by subsidiary undertakings or directly by AGA Rangemaster Group Limited. The registered office of the UK companies is Meadow Lane, Long Eaton, Nottingham, NG10 2G.

**AGA RANGEMASTER LIMITED, trading in the UK principally under the trade and business names of:**

AGA  
AGA COOKSHOP  
FALCON  
LEISURE SINKS  
MERCURY  
RANGEMASTER  
RAYBURN  
REDFYRE

**Overseas trade and business names:**

AGA HOME INC (USA)  
AGA MARVEL (USA)  
AGA RANGEMASTER France (branch)  
FURDO LIMITED (Ireland)  
GRANGE SAS (France)

HEARTLAND APPLICANCES INC (Canada)  
LA CORNUE SAS (France)  
LC HOLDINGS SAS (France)  
NORTHLAND CORPORATION (USA)  
WATERFORD STANLEY LIMITED (Ireland)

**Other UK:**

AFE ONLINE LIMITED  
AFG AGA LIMITED  
AFG CONSUMER LIMITED  
AFG COOK LIMITED  
AFG COOKSHOP LIMITED  
AFG LIVING LIMITED  
AFG MANAGEMENT LIMITED  
AFG MANUFACTURING LIMITED  
AFG NOMINEES LIMITED  
AFG PROPERTY MANAGEMENT LIMITED  
AFG REDFYRE LIMITED  
AFG SHAKER LIMITED  
AFG SINKS LIMITED  
AFG U.K. LIMITED  
AGA COOKERS LIMITED  
AGA CARE LIMITED  
AGA CONSUMER PRODUCTS LIMITED  
AGA LIVING LIMITED  
AGA RANGEMASTER PROPERTIES LIMITED  
AGA RAYBURN LIMITED  
AGACOOKSHOP LIMITED  
AGALINKS LIMITED  
ARG CORPORATE SERVICES LIMITED  
ARG ESTATES LIMITED  
ARG PENSIONS (1974) LIMITED  
ARG TRUSTEES (1970) LIMITED  
ASTEC HOLDINGS LIMITED  
BRICKHOUSE DUDLEY LIMITED  
C.J.A. STAINLESS STEELS LIMITED  
CASHMORE GENERAL STEELS LIMITED  
COMMINGLED TRUSTEES (ST HELENS) LIMITED  
CRANMORE PROPERTY LIMITED  
CRYOMAGNETIC SYSTEMS LIMITED

FAIRFIELD ROAD LIMITED  
FIRED EARTH LTD  
GLENDALE ENGINEERING LIMITED  
GRANGE LONDON BOUTIQUE LIMITED  
HEADLAND UK LTD  
LEAVLITE LIMITED  
LEISURE CASPIAN LIMITED  
LEISURE LEXIN LIMITED  
LEISURE SINKS LIMITED  
LEISURE SWINK LIMITED  
LOCARNO LIMITED  
MERCURY APPLIANCES LIMITED  
MIDDLEBY UK RESIDENTIAL HOLDING LIMITED  
MOXLEY ROAD LIMITED  
NEW SHELDON LIMITED  
PLANETARY ROAD LIMITED  
RANGEMASTER CLASSIC LIMITED  
RANGEMASTER COOKSHOP LIMITED  
RANGEMASTER LIMITED  
RANGEMASTER PRODUCTS LIMITED  
RAYBURN COOKING & HEATING APPLIANCES LIMITED  
REDFYRE COOKERS LIMITED  
SIDNEY FLAVEL & CO LIMITED  
SOUTHERN ALUMINIUM SUPPLIES LIMITED  
STOURBRIDGE STEEL (1991) LIMITED  
SWINK LIMITED  
TAYLOR PALLISTER LIMITED  
TEST LANE LIMITED  
THE AGA SHOP LIMITED  
THE COALBROOKDALE COMPANY LIMITED  
THOR CRYOGENICS LIMITED  
THORNTON GROUP HOLDINGS LIMITED  
U.H.V. LIMITED  
WHOLESALE CATERING EQUIPMENT LIMITED

---

**NOTES TO THE ACCOUNTS****18. Contingent liabilities and commitments**

The company has contingent liabilities for certain potential claims from third parties in relation to divested businesses. On the basis of information presently available to them, the directors believe that no material claims are likely to arise for which provision has not been made in these accounts. The company has given a number of financial and performance guarantees on behalf of its subsidiaries and the relevant liabilities are included in the balance sheet.

At 30 December 2017 the company has no outstanding bank guarantees.

The company has no other material contingent liabilities arising in the normal course of business at 30 December 2017 (31 December 2016: £nil). The company had no capital commitments (31 December 2016: £nil).

**19. Related party transactions**

The company has taken advantage of the exemption permitted by FRS 102 not to disclose any transactions or balances with entities that are wholly owned by The Middleby Corporation.

**20. Ultimate holding company**

The company's immediate parent company is Middleby UK Residential Holding Limited, incorporated and registered in England and Wales. The smallest and largest group of which the company is a member and for which group financial statements are prepared is The Middleby Corporation, incorporated and registered in the state of Delaware, USA.

The company's ultimate holding company and controlling party is The Middleby Corporation. Copies of the consolidated financial statements of The Middleby Corporation can be obtained from the company at 1400 Toastmaster Drive, Elgin, Illinois 60120, USA.