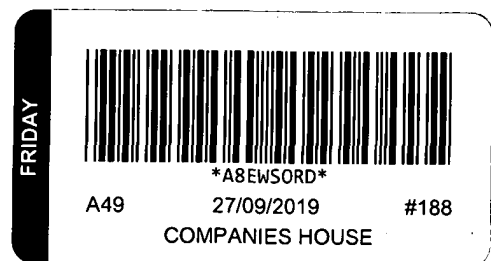


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Company Registration No. 02463564 (England and Wales)

FLOWIDEA LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR



FLOWIDEA LIMITED

COMPANY INFORMATION

Directors	Sir H Angest Lady D Angest
Secretary	N L Smith
Company number	02463564
Registered office	Arbuthnot House 7 Wilson Street London EC2M 2SN
Auditor	RSM UK Audit LLP Chartered Accountants One London Square Cross Lanes Guildford Surrey GU1 1UN

FLOWIDEA LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2018**

		2018		2017	
	Notes	£	£	as restated	£
Fixed assets					
Investment properties	7	5,081,208		5,081,208	
Investments	8	82,064,553		107,940,915	
		87,145,761		113,022,123	
Current assets					
Debtors	9	626,150		1,468,506	
Cash at bank and in hand		3,918,637		2,428,209	
		4,544,787		3,896,715	
Creditors: amounts falling due within one year	10	(113,859)		(3,081,863)	
Net current assets		4,430,928		814,852	
Total assets less current liabilities		91,576,689		113,836,975	
Creditors: amounts falling due after more than one year					
Borrowings	11	3,000,000		-	
		(3,000,000)		-	
Net assets		88,576,689		113,836,975	
Capital and reserves					
Called up share capital	12	100		100	
Revaluation reserve	13	60,074,057		85,950,419	
Profit and loss reserves	13	28,502,532		27,886,456	
Total equity		88,576,689		113,836,975	

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 20/9/2019 and are signed on its behalf by:



Sir H Angest
Director

FLOWIDEA LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital £	Revaluation reserve £	Profit and loss reserves £	Total £
As restated for the period ended 31 December 2017:					
Balance at 1 January 2017		100	87,449,640	17,953,124	105,402,864
Year ended 31 December 2017:					
Profit and total comprehensive income for the year		-	-	10,434,111	10,434,111
Dividends	6	-	-	(2,000,000)	(2,000,000)
Transfer of unrealised gains and losses		-	(1,499,221)	1,499,221	-
Balance at 31 December 2017		100	85,950,419	27,886,456	113,836,975
Year ended 31 December 2018:					
Loss and total comprehensive income for the year		-	-	(25,210,286)	(25,210,286)
Dividends	6	-	-	(50,000)	(50,000)
Transfer of unrealised gains and losses		-	(25,876,362)	25,876,362	-
Balance at 31 December 2018		100	60,074,057	28,502,532	88,576,689

Transfer between reserves relates to the transfer of fair value gains to the revaluation reserve.

FLOWIDEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Flowidea Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Arbuthnot House, 7 Wilson Street, London EC2M 2SN.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies' regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Investment income

Investment income from trade investments and investments in subsidiaries, associates and jointly controlled entities is recognised when the company's right to receive payment is established.

Rental income

Investment income includes rents, commissions receivable and other property related income which is recognised on an accruals basis. Where a rent free period is included in a lease, the rental income foregone is allocated evenly over the period from the date of the lease commencement to the earliest termination date.

Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the income statement.

FLOWIDEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

Fixed asset investments

Interests in subsidiaries entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the income statement.

Interests in associates and jointly controlled entities are initially measured at transaction price, excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in profit or loss. Transaction costs are expensed to the income statement as incurred.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares 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 payments discounted at a market rate of interest.

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

FLOWIDEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies (Continued)

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

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

Deferred tax assets are recognised only to the extent that the directors consider it more likely than not that there will be suitable taxable profits from which future reversal of the underlying timing difference can be deducted.

Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

FLOWIDEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

2 Prior period adjustment

During the year management have identified tax relief available to the company on the disposal of the listed investments that would mean that there would not be tax to pay on the gain made on disposal. Management believe the conditions for the tax relief were met at 31 December 2017 as well as 31 December 2018. Therefore the deferred tax liability recognised at 31 December 2017 has been reduced from £10,351,093 (chargeable gains of £12,794,586, net of tax losses of £2,443,493) to £nil, by way of a prior year adjustment. Corresponding transfers have also been made to the revaluation reserve and profit and loss reserve. Additionally it was identified that historically the reserve transfer from the profit and loss account to the revaluation reserve, for deferred tax charged in relation to previous investment property revaluations, had not been made. Therefore, a further adjustment of £1,613,460 has been included to correct this.

Changes to the statement of financial position

	At 31 December 2017		
	As previously reported	Adjustment	As restated
	£	£	£
Provisions for liabilities			
Deferred tax	(10,351,093)	10,351,093	-
Net assets	103,485,882	10,351,093	113,836,975
Capital and reserves			
Revaluation reserve	74,769,293	11,181,126	85,950,419
Profit and loss	28,716,489	(830,033)	27,886,456
Total equity	103,485,882	10,351,093	113,836,975

Changes to the income statement

	Period ended 31 December 2017		
	As previously reported	Adjustment	As restated
	£	£	£
Taxation	211,986	10,351,093	10,563,079
Profit for the financial period	83,018	10,351,093	10,434,111

3 Employees

The average monthly number of persons, including directors, employed by the company during the year was 2 (2017 - 2).

4 Directors' remuneration and dividends

	2018	2017
	£	£
Remuneration payable to directors	120,000	72,642
Dividends paid to directors	1,000	40,000

During the current and preceding year, no payments were made in relation to any pension commitments.

FLOWIDEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

5 Taxation

	2018	2017
	£	as restated £
Deferred tax		
Origination and reversal of timing differences	-	(10,563,079)

A deferred tax liability has not been recognised on the fair value gain of the listed investments on the basis that management consider that they will be eligible for tax relief meaning that tax will not be due on the gain. Management consider that the criteria for the tax relief was met at both 31 December 2017 and 31 December 2018. While there is no immediate plan to dispose of the investments, management expect that in the future, the disposal will be planned in a manner that facilitates utilisation of the maximum tax relief, and that the criteria for the tax relief will continue to be met at the date of disposal. Future changes to tax legislation, or to the status of the investee company could mean that the criteria for the relief may no longer be met and tax may have to be paid on the gain at the point of disposal.

6 Dividends

	2018	2017
	£	£
Interim paid	50,000	2,000,000

7 Investment property

	2018
	£
Fair value	
At 1 January 2018 and 31 December 2018	5,081,208

Investment property comprises Upper Maisonette, 41 Thurloe Square, Romadie House and South Persie House. The fair value of the 41 Thurloe Square investment property has been arrived at on the basis of a valuation carried out at 17 May 2018 by Savills (UK) Limited Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

Romadie House and South Persie House were purchased at market value in 2017. The directors consider these values to be indicative of the value at 31 December 2018. The historical cost of the investment property is £6,694,669.

The company's investment property is subject to a debenture and charge in connection with a guarantee provided by the company in respect of the bank loan.

FLOWIDEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

8 Fixed asset investments

	2018 £	2017 £
Investments	82,064,553	107,940,915
Movements in fixed asset investments		
	Shares in group undertakings £	Share in listed associated undertakings £
Cost or valuation		Total £
At 1 January 2018	3,773,858	104,167,057
Valuation changes	-	(25,876,362)
At 31 December 2018	3,773,858	78,290,695
Carrying amount		
At 31 December 2018	3,773,858	78,290,695
At 31 December 2017	3,773,858	104,167,057

Fixed asset investments revalued

If the shares in listed associated undertakings were stated on an historical cost basis rather than a fair value basis, the net book value would have been £16,603,177.

9 Debtors

	2018 £	2017 £
Amounts falling due within one year:		
Amounts owed by group undertakings	326,142	1,467,549
Other debtors	300,008	957
	626,150	1,468,506

The amounts owed by group undertakings are unsecured and have no formal terms. The amounts are therefore repayable on demand. The directors do not expect to recall the balance in the forthcoming 12 months.

10 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans	-	3,000,000
Other creditors	113,859	81,863
	113,859	3,081,863

FLOWIDEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

11 Borrowings

	2018 £	2017 £
Bank loans	3,000,000	3,000,000
Payable within one year	-	3,000,000
Payable after one year	3,000,000	-

The bank loan above is secured on the company's investment property and further secured on the investment properties of certain related parties.

12 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary shares of 10p each	100	100

13 Reserves

Fair value reserve

The directors have elected to retain the unrealised gains and losses on the revaluation, and related deferred tax, of its investment portfolio in a fair value reserve.

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

14 Related party transactions

Included within administration expenses is £4,500 (2017: £5,000) charged by the director, Sir H Angest, for personal guarantees given on bank loans in the company. At the balance sheet date, £4,500 (2017: £5,000) was accrued in respect of these guarantees and are included in other creditors.

During the year, an interest free £300,000 loan was provided to a company related via common control, with no specific repayment terms. At the balance sheet date, £300,000 was due from the company and is included in other debtors.

Dividends of £1,000 (2017: £40,000) were paid to the director, Sir H Angest, in the year. Dividends of £24,500 (2017: £980,000) each were paid to Flowfred Limited and Flowgab Limited, companies with a participating interest in Flowidea Limited.

During the year investment property with a value of £397,078 was used by a related party by virtue of common control, at £Nil (2017: £Nil) cost.

15 Controlling party

The company is controlled by Sir H Angest, a director.

FLOWIDEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

16 Subsequent event

Subsequent to the year end, in May 2019, an investment property with a value of £4m at December 2018 and annual rental income of £110,000 was transferred to Flowtrade Limited, a wholly owned subsidiary. The transfer was made via an intercompany account.

17 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Caroline Watson ACA.
The auditor was RSM UK Audit LLP.