

FLOWIDEA LIMITED
ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 1999
COMPANY NUMBER 2463564

SMITH & WILLIAMSON
Chartered Accountants
GUILDFORD



AUDITORS' REPORT TO THE DIRECTOR OF
FLOWIDEA LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT

We have examined the abbreviated accounts on pages 2 to 5, together with the full statutory accounts of Flowidea Limited for the year ended 31 December 1999 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of the director and auditors

The director is responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and to whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full statutory accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

GUILDFORD
1 August 2000



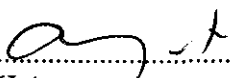
SMITH & WILLIAMSON
Chartered Accountants
Registered Auditors

FLOWIDEA LIMITED**BALANCE SHEET****31 DECEMBER 1999**

	Note	1999 £	1998 £
FIXED ASSETS			
Investments	2	9,566,764	9,707,673
CURRENT ASSETS			
Debtors		33,385	163
Cash at bank and in hand		442,064	132,297
		<u>475,449</u>	<u>132,460</u>
CREDITORS: amounts falling due within one year	3	<u>(5,561,054)</u>	<u>(4,464,445)</u>
NET CURRENT LIABILITIES		<u>(5,085,605)</u>	<u>(4,331,985)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,481,159</u>	<u>5,375,688</u>
CREDITORS: amounts falling due after more than one year	4	<u>(2,350,000)</u>	<u>(3,500,000)</u>
NET ASSETS		<u><u>£2,131,159</u></u>	<u><u>£1,875,688</u></u>
CAPITAL AND RESERVES			
Called up share capital	5	100	100
Profit and loss account		2,131,059	1,875,588
EQUITY SHAREHOLDER'S FUNDS		<u><u>£2,131,159</u></u>	<u><u>£1,875,688</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These accounts were approved by the director on **20 JUL 2000**


.....
H Angest

Director

FLOWIDEA LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****31 DECEMBER 1999****1. ACCOUNTING POLICIES**

The accounts are prepared in accordance with applicable Accounting Standards. The particular policies adopted by the director are described below.

a) Accounting convention

The accounts are prepared under the historical cost convention.

b) Deferred taxation

Deferred taxation is provided using the liability method for all timing differences between the results as shown by the accounts and those computed for taxation purposes other than those differences which are expected to continue for the foreseeable future.

c) Consolidated accounts

The company has prepared accounts as an individual undertaking, having taken advantage of the exemption conferred by Section 248 of the Companies Act 1985 from the requirement to prepare group accounts.

d) Fixed asset investments

Investments in the shares held as fixed assets are stated at cost less provision for any impairment in value.

2. INVESTMENTS

	1999	1998
a. Listed investments at cost	£	£
At 1 January 1999	9,557,413	9,228,806
Additions	2,244	328,607
Disposals	(18,153)	-
At 31 December 1999	<u>9,541,504</u>	<u>9,557,413</u>
b. Other investments		
Shares in subsidiary	100	100
Loan to subsidiary	25,000	150,000
Shares in Thurleigh Estates Ltd	160	160
	<u>9,566,764</u>	<u>9,707,673</u>

The stock exchange value of the listed investments at 31 December 1999 was £22,969,493 (1998 : £35,506,610).

The company owns 100% of the ordinary share capital and voting rights of Flowtrade Limited, an investment trading company registered in England and Wales. Flowtrade Limited made a loss for the year ended 31 December 1999 of £1,270. At 31 December 1999 the aggregate capital and reserves were £(1,170).

FLOWIDEA LIMITED**NOTES TO THE ABBREVIATED ACCOUNTS****31 DECEMBER 1999****2. INVESTMENTS - continued**

The loan to the subsidiary is interest free for up to five years.

160 ordinary £1 shares are held in Thurleigh Estates Limited. This represents an interest of 16% of the ordinary share capital of Thurleigh Estates Limited and a further 49% interest is held by Wyler Investments Limited, a company which is wholly owned by Mr H Angest.

The company guaranteed a £1,685,000 bank loan facility obtained by Wyler Investments Limited to enable it to make a shareholder loan to Thurleigh Estates Limited. The company deposited 763,000 shares in Secure Trust Banking Group Plc to the bank granting the loan facility. In consideration for giving the guarantee the company was not required to make a shareholder loan to Thurleigh Estates Limited. Wyler Investments Limited repaid the loan subsequent to 31 December 1999 and the security has been released.

3. CREDITORS - amounts falling due within one year

Creditors includes bank loans of £5,300,000 (1998 : £4,400,000) which, together with loans within note 4 below, are secured by a lien over 5,046,043 of the shares held in Secure Trust Banking Group plc.

The bank loans are repayable within one year and the director is of the opinion that the company will be able to negotiate the necessary funds to replace the loans. The director notes that the stock exchange value of the company's listed investments at 31 December 1999 was £22,969,493.

4. CREDITORS - amounts falling due after more than one year

Creditors includes bank loans of £2,350,000 (1998 : £3,500,000) which are secured as disclosed in note 3.

5. SHARE CAPITAL

	1999 £	1998 £
Authorised:		
1,000 Ordinary shares of £1 each	£1,000	£1,000
	=====	=====
Allotted, called up and fully paid:		
100 Ordinary shares of £1 each	£100	£100
	=====	=====

FLOWIDEA LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

31 DECEMBER 1999

6. RELATED PARTY TRANSACTIONS

The company guaranteed a £1,685,000 bank loan facility granted to Wyler Investments Limited. The sole director of Wyler Investments Limited is H Angest who owns 100% of this company. The loan balance at 31 December was £1,184,621 (1998:£1,656,664) but this was fully repaid by that company subsequent to the balance sheet date.