Flowtechnology Asia Limited

Annual Report and Financial Statements

Registered number 03670155

31 December 2015

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Flowtechnology Asia Limited

Company Information

Directors	Sean Fennon Bryce Brooks
Registered number	03670155
Registered office	Pimbo Road Skelmersdale Lancashire WN8 9RB
Independent auditor	Grant Thornton UK LLP Chartered Accountants and Statutory Auditors 4 Hardman Square Spinningfields Manchester M3 3EB

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Strategic Report

Introduction

The Directors present their Strategic Report of Flowtechnology Asia Limited (the "Company") for the year ended 31 December 2015. The Company's principal activity is to act as a holding company.

Business review

Flowtechnology Asia Limited assists in the development of a group of companies for the distribution of fluid power and industrial products in South East Asia.

The loss for the year after taxation amounted to £994 (2014: loss £124). The Directors cannot recommend a dividend (2014: £nil).

Directors' Report

The Directors present the audited Financial Statements of Flowtechnology Asia Limited (the "Company") for the year ended 31 December 2015.

Directors

The Directors who held office during the period were as follows:

Sean Fennon
Bryce Brooks

Disclosure of information to the Auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Auditor

Pursuant to section 487 of the Companies Act 2006, the Auditor will be deemed to be reappointed and Grant Thornton UK LLP will therefore continue in office.

These Reports were approved by the Board and signed on its behalf

Bryce Brooks
Director
29 April 2016

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws including FRS 101 "Reduced disclosure framework").

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the members of Flowtechnology Asia Limited

We have audited the financial statements of Flowtechnology Asia Limited for the year ended 31 December 2015 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

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.

Respective responsibilities of directors and auditor
As explained more fully in the Statement of Directors' Responsibilities, as set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 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.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion 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.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Stuart Muskett
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Manchester
29 April 2016

Income Statement

for the year ended 31 December 2015

	Note	**2015**	2014
		£	£
Administrative expenses		**(994)**	(124)
Loss on ordinary activities before taxation	3	**(994)**	(124)
Tax expense	5	**-**	-
Loss for the financial year		**(994)**	(124)

There were no recognised gains or losses other than the loss in either the current or previous financial year. Accordingly, a Statement of Comprehensive Income has not been prepared.

All losses are derived from continuing operations.

Statement of Financial Position

at 31 December 2015

	Note	**2015**	2014
		£	£
Fixed assets			
Investments	6	**-**	-
Total fixed assets		**-**	-
Current assets			
Cash and cash equivalents	7	**162**	23
Total current assets		**162**	23
Creditors: amounts falling due within one year			
Trade and other creditors	8	**(8,021)**	(6,888)
Total creditors: amounts falling due within one year		**(8,021)**	(6,888)
Net current liabilities		**(8,021)**	(6,888)
Total assets less current liabilities		**(7,859)**	(6,865)
Net liabilities		**(7,859)**	(6,865)
Capital and reserves			
Share capital	9	**1**	1
Retained losses		**(7,860)**	(6,866)
Total equity		**(7,859)**	(6,865)

The Financial Statements on pages 4 to 11 were approved by the Directors on 29 April 2016 and were signed by:

Bryce Brooks
Director

Flowtechnology Asia Limited
Pimbo Road
Skelmersale
Lancashire
WN8 9RB

Statement of Changes in Equity

for the year ended 31 December 2015

	Share capital £	Retained losses £	Total Equity £
Balance at 1 January 2014	**1**	**(6,742)**	**(6,741)**
Loss for the year	-	(124)	(124)
Total comprehensive expense for the year	-	(124)	(124)
Total transactions with owners	-	-	-
Balance at 1 January 2015	**1**	**(6,866)**	**(6,865)**
Loss for the year	-	(994)	(994)
Total comprehensive expense for the year	-	(994)	(994)
Total transactions with owners	-	-	-
Balance at 31 December 2015	**1**	**(7,860)**	**(7,859)**

Notes to the Financial Statements

for the year ended 31 December 2015

1 Authorisation of Financial Statements and statement of compliance with FRS 101

The Financial Statements of Flowtechnology Asia Limited (the "Company") for the year ended 31 December 2015 were authorised for issue by the Board of Directors on 29 April 2016 and the Statement of Financial Position was signed on the Board's behalf by Bryce Brooks. Flowtechnology Asia Limited is incorporated and domiciled in England and Wales.

These Financial Statements were prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The Company's Financial Statements are presented in Sterling.

These Financial Statements have been prepared on a going concern basis and on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Flowtech MIP Limited.

The results of Flowtech MIP Limited are included in the consolidated financial statements of Flowtech Fluidpower plc which are available from Pimbo Road, Skelmersdale, Lancashire, England, WN8 9RB.

The principal accounting policies adopted by the Company are set out in note 2.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's Financial Statements.

2.1 Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the Financial Statements for the year ended 31 December 2015.

The Company has taken advantage of the following disclosure exemptions under FRS 101:

(a) the requirement in paragraph 38 of IAS 1 "Presentation of Financial Statements" to present comparative information in respect of:

(i) paragraph 79(a)(iv) of IAS 1;

(ii) paragraph 73(e) of IAS 16 "Property, Plant and Equipment";

(b) the requirements of paragraphs 10(d), 10(f),39(c) and 134-136 of IAS 1 "Presentation of Financial Statements" and the requirements of IAS 7 "Statement of Cash Flows";

(c) the requirements of paragraphs 30 and 31 of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors";

(d) the requirements of paragraph 17 of IAS 24 "Related Party Disclosures";

(e) the requirements in IAS 24 "Related Party Disclosures" to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;

Notes to the Financial Statements

for the year ended 31 December 2015

2 Accounting policies (continued)

2.2 Going concern

The Financial Statements have been prepared on the going concern basis which the Directors believe to be appropriate for the following reasons. The Company is dependent for its working capital on funds generated by other group companies. The Company's ultimate parent, Flowtech Fluidpower plc, has provided the Company with an undertaking that for at least 12 months from the date of approval of these Financial Statements, it will continue to make available such funds and guarantees as are needed by the Company. This should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these Financial Statements, they have no reason to believe that it will not do so.

Based on this undertaking, the Directors believe that it remains appropriate to prepare the Financial Statements on a going concern basis. The Financial Statements do not include any adjustments that would result from the basis of preparation being inappropriate.

2.3 Significant judgements, key assumptions and estimates

In the process of applying the Company's accounting policies, which are described above, management has made judgements and estimations about the future that may have a significant effect on the amounts recognised in the Financial Statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Management do not believe there are any judgements, key assumptions or estimates of sufficient significance to require disclosure.

2.4 Investments

All investments are initially recorded at cost, being the fair value of consideration given including the acquisition costs associated with the investment. Subsequently they are reviewed for impairment on an individual basis if events or changes in circumstances indicate the carrying value may not be fully recoverable.

2.5 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Notes to the Financial Statements

for the year ended 31 December 2015

2 Accounting policies (continued)

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

2.6 Equity and reserves

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares
- "Retained losses" represent retained losses of the Company

3 Loss on ordinary activities before taxation

Audit fees are borne by another group undertaking.

4 Staff costs and Directors' remuneration

The Company has no employees other than the Directors whose remuneration is borne by another group undertaking in both the current and previous reporting periods.

5 Taxation

a) Tax charged in the income statement

	2015	2014
	£	£
Total tax expense	**-**	-

b) Reconciliation of the total tax charge

The tax assessed in the income statement for the year differs from the standard rate of corporation tax in the UK of 20.25% (2014: 21.5%). The differences are reconciled below:

	2015	2014
	£	£
Loss before taxation	**(994)**	(124)
Tax calculated at the UK standard rate of corporation tax of 20.25% (2014: 21.5%)	**(201)**	(27)
Group relief	**201**	27
Total tax expense	**-**	-

Notes to the Financial Statements

for the year ended 31 December 2015

6 Fixed asset investments

	Investments in subsidiary undertakings
	£
Cost and net book value at 1 January 2015 and 31 December 2015	-

Details of subsidiary undertakings

	Principal activity	Holding	Country of incorporation
Flowtechnology HK Limited	Holding company	100%	China

The class of shares held is ordinary shares and the subsidiary is a direct subsidiary of the Company.

7 Cash and cash equivalents

	2015	2014
	£	£
Cash and cash equivalents:		
HK Dollar	**162**	23
Total cash and cash equivalents	**162**	23

8 Trade and other creditors

	2015	2014
	£	£
Current:		
Amounts owed to other group undertakings	**8,021**	6,888
Total trade and other creditors	**8,021**	6,888

9 Authorised, issued and called up share capital

	2015	2014
	£	£
Authorised, allotted, called up and fully paid		
1 Ordinary shares of £1 each	**1**	1
Total authorised, allotted, called up and fully paid	**1**	1

Notes to the Financial Statements

for the year ended 31 December 2015

10 Capital commitments

The Company had no capital commitments at 31 December 2015 or 31 December 2014.

11 Subsequent events

There are no material adjusting or non-adjusting events subsequent to the reporting date.

12 Related party transactions

During the year the Company entered into transactions, in the ordinary course of business, with related parties, all of whom are fellow wholly owned subsidiaries of the ultimate group undertaking. The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose these transactions.

13 Ultimate group undertaking

The Company is a subsidiary undertaking of Flowtech MIP Limited, incorporated in the United Kingdom. The ultimate parent company is Flowtech Fluidpower plc, incorporated in the United Kingdom.

The consolidated accounts of this company are available to the public and may be obtained from Pimbo Road, Skelmersdale, Lancashire, England, WN8 9RB.