

Flow Hospitality Training Limited

Registered number: SC354749

Filleted financial statements

For the year ended 30 April 2020



FLOW HOSPITALITY TRAINING LIMITED
REGISTERED NUMBER: SC354749

STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2020


	Note	2020 £	2019 £
Fixed assets			
Intangible fixed assets	4	19,977	20,029
Tangible fixed assets	5	82,143	92,780
		<u>102,120</u>	<u>112,809</u>
Current assets			
Debtors: amounts falling due within one year	6	1,962,082	2,155,771
Cash and cash equivalents	7	1,607,926	703,245
		<u>3,570,008</u>	<u>2,859,016</u>
Creditors: amounts falling due within one year	8	(1,190,930)	(1,406,819)
Net current assets		<u>2,379,078</u>	<u>1,452,197</u>
Total assets less current liabilities		<u>2,481,198</u>	<u>1,565,006</u>
Provisions for liabilities			
Deferred tax		-	(10,054)
Net assets		<u><u>2,481,198</u></u>	<u><u>1,554,952</u></u>
Capital and reserves			
Called up share capital	10	1,110	1,000
Share premium account	11	142,891	99,001
Profit and loss account	11	2,337,197	1,454,951
		<u><u>2,481,198</u></u>	<u><u>1,554,952</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the directors' report and the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


 JORGE LURUEÑA (Apr 29, 2021 13:25 GMT+2)

J Luruena
 Director

Date: Apr 29, 2021

The notes on pages 2 to 11 form part of these financial statements.

FLOW HOSPITALITY TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

1. General information

Flow Hospitality Training Limited is a private company limited by shares, registered in Scotland. The address of its registered office is Exchange Tower, 19 Canning Street, Edinburgh, Scotland, EH3 8EG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered the company's cash requirements for the next 12 months and are of the opinion that the company has sufficient resources to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. Based on the above, the directors believe that it is appropriate to prepare the financial statements on a going concern basis.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP and are rounded to the nearest £.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

FLOW HOSPITALITY TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

FLOW HOSPITALITY TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

2.8 Current and deferred taxation (continued)

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.9 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.10 Intangible fixed assets

Intangible fixed assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible fixed assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases:

Research and development	-	20 % straight line
Intellectual property	-	20 % straight line

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

FLOW HOSPITALITY TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

2.11 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 20% straight line
Motor vehicles	- 25% straight line
Equipment	- 20% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

FLOW HOSPITALITY TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

2. Accounting policies (continued)

2.16 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 58 (2019 - 52).

FLOW HOSPITALITY TRAINING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

4. Intangible fixed assets

	Intellectual property £	Research & developmen t £	Total £
Cost			
At 1 May 2019	288,178	228,252	516,430
Additions	7,610	-	7,610
At 30 April 2020	295,788	228,252	524,040
Amortisation			
At 1 May 2019	272,966	223,435	496,401
Charge for the year on owned assets	4,020	3,642	7,662
At 30 April 2020	276,986	227,077	504,063
Net book value			
At 30 April 2020	18,802	1,175	19,977
At 30 April 2019	15,212	4,817	20,029

FLOW HOSPITALITY TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

5. Tangible fixed assets

	Leasehold improve- ments £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 May 2019	44,069	10,000	375,275	429,344
Additions	-	-	27,456	27,456
Disposals	-	(10,000)	-	(10,000)
At 30 April 2020	44,069	-	402,731	446,800
Depreciation				
At 1 May 2019	24,266	5,834	306,464	336,564
Charge for the year on owned assets	8,814	2,083	25,113	36,010
Disposals	-	(7,917)	-	(7,917)
At 30 April 2020	33,080	-	331,577	364,657
Net book value				
At 30 April 2020	10,989	-	71,154	82,143
At 30 April 2019	19,803	4,166	68,811	92,780

6. Debtors

	2020 £	2019 £
Trade debtors	1,033,705	970,427
Other debtors (note 15)	244,065	996,359
Prepayments and accrued income	75,645	188,985
Deferred taxation (note 9)	608,667	-
	1,962,082	2,155,771

FLOW HOSPITALITY TRAINING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

7. Cash and cash equivalents

	2020	2019
	£	£
Cash at bank and in hand	<u>1,607,926</u>	<u>703,245</u>

8. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	93,006	133,020
Corporation tax	-	216,259
Other taxation and social security	352,832	234,734
Other creditors	29,138	31,620
Accruals and deferred income	715,954	791,186
	<u>1,190,930</u>	<u>1,406,819</u>

9. Deferred taxation

	2020	2019
	£	£
At beginning of year	(10,054)	(10,400)
Movement for the year	618,721	346
At end of year	<u>608,667</u>	<u>(10,054)</u>

The provision for deferred taxation, which is calculated based on a tax rate of 19% (2019 - 17%), is made up as follows:

	2020	2019
	£	£
Accelerated capital allowances	(12,645)	(11,487)
Short term timing differences	1,436	1,433
Losses and other deductions	619,876	-
	<u>608,667</u>	<u>(10,054)</u>

FLOW HOSPITALITY TRAINING LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020**

10. Share capital

	2020 £	2019 £
Authorised, allotted, called up and fully paid		
1,110 (2019 - 1,000) Ordinary shares of £1 each	1,110	1,000

110 ordinary shares with a £1 nominal value were issued in the year for a consideration of £44,000. The market value of these shares was £400 per share and therefore £43,890 was credited to the share premium.

The share capital of the company was sold to Nova Investments S.L in December 2019.

11. Reserves**Share premium account**

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

Profit & loss account

The reserve includes all current and prior periods retained profits and losses net of dividends paid.

12. Share based payments

In December 2019, the share options were exercised before the sale of the company to Nova Investments S.L.

As at the balance sheet date there were no share options in issue.

13. Pension commitments

The Company operates a defined contribution pension plan. The assets of the plan are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £48,957 (2019 - £29,102). Contributions totalling £16,936 (2019 - £8,433) were payable to the fund at the reporting date and are included in creditors.

FLOW HOSPITALITY TRAINING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

14. Commitments under operating leases

At 30 April 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	82,546	78,208
Later than 1 year and not later than 5 years	-	67,588
	<u>82,546</u>	<u>145,796</u>

15. Related party transactions

R F Wither and D A Wither, directors of the Company, are directors and shareholders of Montpeliers (Edinburgh) Limited. During the year Flow Hospitality Training Limited was recharged costs incurred by Montpeliers (Edinburgh) Limited at a value of £4,056 (2019 - £8,621). The Company also made sales to Montpeliers (Edinburgh) Ltd of £38,126 (2019 - £18,275). At the year end the Company was due £11,885 (2019 - £1,809) from Montpeliers (Edinburgh) Ltd, which is included in other debtors (note 8).

At the year end the Company was due £nil (2019 - £6,196) from Flow Retail Ltd. The prior year balance arose due to certain amounts receivable by Flow Hospitality Training Limited being paid to Flow Retail Ltd. R F Wither and D A Wither are directors and shareholders of Flow Retail Ltd.

At the year end the Company was due £nil (2019 - £973,878) from the directors of the Company, R F Wither and D A Wither. The highest balance outstanding during the year was £979,800 (2019 - £979,800). The balance is included within other debtors (note 8).

16. Ultimate parent undertaking and controlling party

Nova Luxco S.ar.l (registered in Luxembourg) is the Company's immediate parent undertaking.

PSG Ultimate GP Managing Member LLC (registered in USA) is regarded by the directors as being the Company's ultimate parent undertaking.

In the directors' opinion, the ultimate controlling party is Mark Hastings by virtue of his shareholding and economic rights in the ultimate parent undertaking.

17. Auditor's information

The auditor's report on the financial statements for the year ended 30 April 2020 was unqualified.

The audit report was signed on Apr 29, 2021 by Fiona Martin (Senior Statutory Auditor) on behalf of Mazars LLP.