

Company Registration No 2799219 (England and Wales)

ARTEUS (UK) LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

TUESDAY



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02/10/2007
COMPANIES HOUSE

ARTEUS (UK) LIMITED

COMPANY INFORMATION

Director	Buckingham Directors Limited
Secretary	Wigmore Secretaries Limited
Company number	2799219
Registered office	38 Wigmore Street London W1U 2HA
Auditors	PM Randall & Co The Shrubberies George Lane South Woodford London E18 1BG

ARTEUS (UK) LIMITED

CONTENTS

	Page
Director's report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 12

ARTEUS (UK) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2005

The director presents his report and financial statements for the year ended 31 December 2005

Principal activities

The principal activity of the company continued to be that of an investment company and trading in works of art

Director

The following director has held office since 1 January 2005

Buckingham Directors Limited

Director's interests

The director's interest in the shares of the company was as stated below

	Ordinary shares of £1 each	
	31 December 2005	1 January 2005
Buckingham Directors Limited	-	-

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that PM Randall & Co be reappointed as auditors of the company will be put to the Annual General Meeting

ARTEUS (UK) LIMITED

DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

Director's responsibilities

The director is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the director to prepare financial statements for each financial year which 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 those financial statements, the director is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board



Buckingham Directors Limited
Director

02 OCT 2007

ARTEUS (UK) LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF ARTEUS (UK) LIMITED

We have audited the financial statements of ARTEUS (UK) LIMITED on pages 5 to 12 for the year ended 31 December 2005. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the director and auditors

As described in the Statement of Director's Responsibilities on page 2, the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the director's report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding director's remuneration and other transactions is not disclosed.

We read the director's report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. However, the evidence available to us was limited because we were unable to obtain independent confirmation of bank accounts and related information and have relied solely on bank statements provided to us to confirm bank balances held by the company. Furthermore, we could not obtain direct independent confirmation of transactions and balances from County Hall Gallery Limited as stated in note 13. There were no other satisfactory audit procedures that we could adopt to confirm whether all transactions and balances relating to these were properly recorded.

In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

ARTEUS (UK) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF ARTEUS (UK) LIMITED

Qualified opinion arising from a limitation in audit scope

Except for any adjustments or additional disclosures that might have been found to be necessary had we been able to obtain sufficient evidence concerning the foregoing, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985

Except for the limitation on our audit work on the foregoing

- we have obtained all the information and explanations that we considered necessary for the purpose of our audit, and
- proper accounting records had been maintained

Emphasis of matter

Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the continued financial support of the company's shareholders. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect



PM Randall & Co

Chartered Accountants
Registered Auditor

02 OCT 2007

The Shrubberies
George Lane
South Woodford
London
E18 1BG

ARTEUS (UK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2005

		Year ended 31 December 2005 CHF	Year ended 31 December 2004 CHF
	Notes		
Turnover		5,441,273	4,690,829
Cost of sales		(4,580,122)	(3,417,942)
Gross profit		861,151	1,272,887
Administrative expenses		(1,060,306)	(1,331,307)
Operating loss	2	(199,155)	(58,420)
Other interest receivable and similar income	3	720	-
Interest payable and similar charges		(11,381)	(5,977)
Loss on ordinary activities before taxation		(209,816)	(64,397)
Tax on loss on ordinary activities	4	(26,400)	(11,191)
Loss on ordinary activities after taxation	12	(236,216)	(75,588)

ARTEUS (UK) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2005

	Notes	2005 CHF	CHF	2004 CHF	CHF
Fixed assets					
Tangible assets	5		64,668		60,081
Investments	6		388,577		388,577
			<u>453,245</u>		<u>448,658</u>
Current assets					
Debtors	7	15,260,945		12,701,514	
Cash at bank and in hand		463,975		69,372	
		<u>15,724,920</u>		<u>12,770,886</u>	
Creditors amounts falling due within one year	8	(15,706,436)		(12,478,764)	
				<u></u>	
Net current assets			18,484		292,122
			<u></u>		<u></u>
Total assets less current liabilities			471,729		740,780
Creditors: amounts falling due after more than one year	9		(1,327,854)		(1,360,689)
			<u>(856,125)</u>		<u>(619,909)</u>
			<u></u>		<u></u>
Capital and reserves					
Called up share capital	11		2,198		2,198
Profit and loss account	12		(858,323)		(622,107)
			<u>(856,125)</u>		<u>(619,909)</u>
Shareholders' funds			<u></u>		<u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

02 OCT 2007

The financial statements were approved by the Board on


Buckingham Directors Limited
Director

ARTEUS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements have been prepared on a going concern basis. The company has obtained undertakings from its shareholders that they will continue to support the company for the foreseeable future and meet all third party liabilities as they fall due. Given this undertaking, the directors consider it appropriate to adopt a going concern basis in preparing the financial statements.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services wholly derived from the company's principal activity.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	10% - 33% per annum / straight line basis
Fixtures, fittings & equipment	10% - 40% per annum / reducing balance basis
Motor vehicles	10% - 25% per annum / reducing balance basis

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Swiss Francs at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.7 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small-sized group. The company has therefore taken advantage of the exemptions provided by section 248 of the Companies Act 1985 not to prepare group accounts.

ARTEUS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

2	Operating loss	2005	2004
		CHF	CHF
	Operating loss is stated after charging		
	Depreciation of tangible assets	13,127	61,348
	Auditors' remuneration	800	800
		<u> </u>	<u> </u>
3	Investment income	2005	2004
		CHF	CHF
	Other interest	720	-
		<u> </u>	<u> </u>
4	Taxation	2005	2004
		CHF	CHF
	Domestic current year tax		
	U K corporation tax	-	11,191
	Adjustment for prior years	26,400	-
		<u> </u>	<u> </u>
	Current tax charge	<u>26,400</u>	<u>11,191</u>

ARTEUS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

5 Tangible fixed assets

	Plant and machinery etc CHF
Cost	
At 1 January 2005	241,735
Additions	17,714
	<hr/>
At 31 December 2005	259,449
	<hr/>
Depreciation	
At 1 January 2005	181,654
Charge for the year	13,127
	<hr/>
At 31 December 2005	194,781
	<hr/>
Net book value	
At 31 December 2005	64,668
	<hr/>
At 31 December 2004	60,081
	<hr/>

The net book value of tangible fixed assets includes £27,379 (2004 - £36,506) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £9,127 (2004 - £12,169) for the year.

ARTEUS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

6 Fixed asset investments

	Shares in group undertakings CHF	Loans to group undertakings CHF	Total CHF
Cost			
At 1 January 2005 & at 31 December 2005	105,919	282,658	388,577
Net book value			
At 31 December 2005	105,919	282,658	388,577
At 31 December 2004	105,919	282,658	388,577

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Artis Srl	Italy	Ordinary	99 00
County Hall Gallery Limited	England	Ordinary	100 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Principal activity	Capital and reserves 2005 CHF	Profit for the year 2005 CHF
Artis Srl		96,308	2,721
County Hall Gallery Limited		(3,920,681)	(6,116)

ARTEUS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

7 Debtors	2005 CHF	2004 CHF
Trade debtors	13,965,366	11,518,974
Other debtors	1,295,579	1,182,540
	<u>15,260,945</u>	<u>12,701,514</u>
 8 Creditors' amounts falling due within one year	 2005 CHF	 2004 CHF
Net obligations under finance leases	18,661	18,661
Trade creditors	15,506,275	12,240,074
Taxation and social security	-	28,434
Other creditors	181,500	191,595
	<u>15,706,436</u>	<u>12,478,764</u>
 9 Creditors amounts falling due after more than one year	 2005 CHF	 2004 CHF
Net obligations under finance leases	28,407	46,242
Other creditors	1,299,447	1,314,447
	<u>1,327,854</u>	<u>1,360,689</u>
 Analysis of loans		
Not wholly repayable within five years by instalments	<u>1,299,447</u>	<u>1,314,447</u>
Instalments not due within five years	<u>1,299,447</u>	<u>1,314,447</u>

ARTEUS (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2005

10 Pension costs

Defined contribution

	2005 CHF	2004 CHF
Contributions payable by the company for the year	36,449	63,849

11 Share capital

	2005 CHF	2004 CHF
Authorised		
10,000 Ordinary shares of £1 each	21,980	21,980
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	2,198	2,198

12 Statement of movements on profit and loss account

	Profit and loss account CHF
Balance at 1 January 2005	(622,107)
Loss for the period	(236,216)
Balance at 31 December 2005	(858,323)

13 Related party transactions

The ultimate controlling party is not known to the director. The following balances existed with related parties at 31 December 2005

- a) Loans from shareholders Sfr 1,299,477 (2004 Sfr 1,314,447)
- b) Sales to "Artis Srl" Sfr 880,197 (2004 Sfr 701,354)
- c) Sales to "County Hall Gallery Limited" Sfr 396,872 (2004 Sfr 427,943)
- d) Amount owed by "Artis Srl" included in trade debtors Sfr 6,076,965 (2004 Sfr 5,293,583)
- e) Amount owed by "County Hall Gallery Limited" included in trade debtor Sfr 2,700,398 (2004 Sfr 2,372,314)
- f) Loan to "Artis Srl" included in other debtors Sfr 444,982 (2004 Sfr 444,324)