

Registered number
4312853

Fine Art Management Services Limited

Report and Accounts

31 December 2009



Fine Art Management Services Limited
Report and accounts
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Fine Art Management Services Limited Company Information

Directors

D A Abramson
P M Hoffman
E C R Schneider
C Wright
A Fernandes
J S Bean

Secretary

Ruth Johnson

Accountants

Essentially Professional Services
14th Floor
89 Albert Embankment
London
SE1 7TP

Registered office

35 Cremorne Road
Chelsea
London
SW10 0NB

Registered number

4312853

Fine Art Management Services Limited

Registered number: 4312853

Directors' Report

The directors present their report and accounts for the year ended 31 December 2009

Principal activities

The company's principal activity during the year continued to be that of advising on the management of a Fine Art Fund and research and assistance in connection with the creation of further Fine Art Funds

Directors

The following persons served as directors during the year

D A Abramson
P M Hoffman
E C R Schneider
C Wright
A Fernandes
J S Bean

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime

This report was approved by the board on 26 April 2010 and signed on its behalf



Philip Hoffman
Director

Fine Art Management Services Limited
Profit and Loss Account
for the year ended 31 December 2009

	Notes	2009 £	2008 £
Turnover		970,408	1,278,523
Administrative expenses		(800,832)	(1,188,605)
Operating profit	3	<u>169,576</u>	<u>89,918</u>
Interest receivable		132	-
Interest payable	4	-	(314)
Profit on ordinary activities before taxation		<u>169,708</u>	<u>89,604</u>
Tax on profit on ordinary activities	5	-	-
Profit for the financial year		<u>169,708</u>	<u>89,604</u>

Fine Art Management Services Limited
Balance Sheet
as at 31 December 2009

	Notes	2009 £	2008 £
Current assets			
Debtors	8	309,814	21,620
Cash at bank and in hand		<u>29,455</u>	<u>124,990</u>
		339,269	146,610
Creditors: amounts falling due within one year	9	(607,537)	(322,960)
Net current liabilities		<u>(268,268)</u>	<u>(176,350)</u>
Total assets less current liabilities		(268,268)	(176,350)
Creditors amounts falling due after more than one year	10	(301,296)	(562,922)
Net liabilities		<u>(569,564)</u>	<u>(739,272)</u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account	12	(569,565)	(739,273)
Shareholders' funds		<u>(569,564)</u>	<u>(739,272)</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that members have not required the company to obtain an audit in accordance with section 476 of the Act

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime



Philip Hoffman
Director

Approved by the board on 26 April 2010

Fine Art Management Services Limited
Notes to the Accounts
for the year ended 31 December 2009

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers

Cash flow statement

The company is a wholly owned subsidiary of The Fine Art Fund Group Limited and the cash flows of the Company are included in the consolidated cash flow statement of that Company. Consequently the company is exempt under the terms of Financial Reporting Standard 1 from publishing a cash flow statement

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse

Foreign currencies

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

2 Fundamental accounting principle

The financial statements have been prepared on the going concern concept because the ultimate parent company has indicated its willingness to provide financial support to the Company to enable it to remain as a going concern

3 Operating profit	2009	2008
	£	£
This is stated after charging		
Directors' remuneration	<u>69,000</u>	<u>64,833</u>
4 Interest payable	2009	2008
	£	£
Interest payable	<u>-</u>	<u>314</u>

Fine Art Management Services Limited
Notes to the Accounts
for the year ended 31 December 2009

5 Taxation

The company has tax losses carried forward of £516,262 (2008 £685,524) which have not been recognised as a deferred tax asset due to the uncertainty concerning the timescale of recoverability. It is anticipated that the deferred tax will be recovered when the company makes sufficient taxable profits.

6 Staff number and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	2009 £	2008 £
Executive Assistants	10	10
Directors	1	1
	<u>11</u>	<u>11</u>

The aggregate payroll costs of these persons were as follows:

	2009 £	2008 £
Wages and salaries	357,284	334,039
Social security costs	37,594	42,757
	<u>394,878</u>	<u>376,796</u>

7 Directors' remuneration

	2009 £	2008 £
Director's emoluments	69,000	64,833
	<u>69,000</u>	<u>64,833</u>

The emoluments of the highest paid director were £69,000 (2008 £64,833). There were no share schemes or pension contribution schemes in place.

8 Debtors

	2009 £	2008 £
Trade debtors	4,862	5,460
Amounts owed by group undertakings and undertakings in which the company has a participating interest	293,120	-
VAT debtor	2,766	10,160
Prepayments & other debtors	9,066	6,000
	<u>309,814</u>	<u>21,620</u>

Fine Art Management Services Limited
Notes to the Accounts
for the year ended 31 December 2009

9 Creditors amounts falling due within one year	2009 £	2008 £
Amounts owed to group undertakings and undertakings in which the company has a participating interest	136,720	-
Other taxes and social security costs	25,606	-
Accruals	445,211	322,960
	<u>607,537</u>	<u>322,960</u>

10 Creditors amounts falling due after one year	2009 £	2008 £
Amount owed to ultimate parent company	<u>301,296</u>	<u>562,922</u>

The long term loan of £301,296 is repayable as and when the company has the profits and cash flow to do so, is interest free and not due within twelve months

11 Share capital	2009 No	2008 No	2009 £	2008 £
Allotted, called up and fully paid Ordinary shares of £1 each	1	1	<u>1</u>	<u>1</u>

12 Profit and loss account	2009 £	2008 £
At 1 January 2009	(739,273)	(828,877)
Profit for the year	169,708	89,604
At 31 December 2009	<u>(569,565)</u>	<u>(739,273)</u>

13 Post balance sheet events

The company has not entered into any material financial commitments since the date of the balance sheet, nor have there been any significant events requiring further disclosure

14 Related parties

The company has taken advantage of the exemption under FRS 8 "Related Party Disclosures" from disclosing all transactions or balances between group entities

The Company, of which D A Abramson and P M Hoffman are directors and E C R Schneider is a non-executive director assists and advises in respect of the management of The Fine Art Fund Limited Partnership (Delaware) The Company received management fees of £646,460 (2008 £899,194)

Fine Art Management Services Limited
Notes to the Accounts
for the year ended 31 December 2009

15 Ultimate parent company

The ultimate parent company is Fine Art Management Limited, a company registered in Grand Cayman

