

COMPANY REGISTRATION NUMBER 04348253

OLD & MODERN MASTERS LIMITED
FINANCIAL STATEMENTS
31 JANUARY 2012

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COMPANIES HOUSE

SLAVEN JEFFCOTE LLP
Chartered Certified Accountants & Statutory Auditor
1 Lumley Street
Mayfair
London
W1K 6TT

OLD & MODERN MASTERS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2012

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OLD & MODERN MASTERS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 JANUARY 2012

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 January 2012

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of a dealer in works of art and antiques and acting as an agent on behalf of other dealers in works of art and antiques

DIRECTORS

The directors who served the company during the year were as follows

Lumley Management Limited
E N D1 Robilant
Artworld Management Limited

Artworld Management Limited was appointed as a director on 27 September 2011

Lumley Management Limited retired as a director on 27 September 2011

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 those financial statements, the directors are 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 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 the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

OLD & MODERN MASTERS LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 JANUARY 2012

DONATIONS

During the year the company made the following contributions

	2012	2011
	£	£
Charitable	<u>2,190</u>	<u>5,727</u>

AUDITOR


Slaven Jeffcote LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office
1 Lumley Street
Mayfair
London
W1K 6TT

Signed by order of the directors



JD SECRETARIAT LIMITED
Company Secretary

Approved by the directors on 28/5/12

OLD & MODERN MASTERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OLD & MODERN MASTERS LIMITED

YEAR ENDED 31 JANUARY 2012

We have audited the financial statements of Old & Modern Masters Limited for the year ended 31 January 2012 on pages 5 to 12. 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).

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

We were not able to verify the physical existence of the stock of antiques and works of art amounting to £5,105,249 (2011 £4,564,749), because the stock is held at various locations both in the UK and abroad. We have relied upon the consultant to the company to confirm the existence of the stock.

Any adjustment to this figure would have a consequential effect on the results for the year.

QUALIFIED OPINION

QUALIFIED OPINION ARISING FROM A LIMITATION IN SCOPE

Except for any adjustment that might have been found to be necessary had we been able to obtain sufficient evidence concerning the existence of the stock, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st January 2012 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 2006.

In respect alone of the limitation on our work relating to stock, we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

OLD & MODERN MASTERS LIMITED

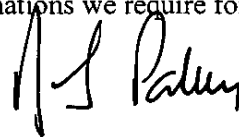
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OLD & MODERN MASTERS LIMITED *(continued)*

YEAR ENDED 31 JANUARY 2012

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



N J PALING (Senior Statutory Auditor)

For and on behalf of
SLAVEN JEFFCOTE LLP
Chartered Certified Accountants
& Statutory Auditor

1 Lumley Street
Mayfair
London
W1K 6TT

28/1/12

OLD & MODERN MASTERS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 JANUARY 2012

	Note	2012 £	2011 £
TURNOVER		5,619,974	4,070,558
Cost of sales		<u>5,235,069</u>	<u>3,865,455</u>
GROSS PROFIT		384,905	205,103
Distribution costs		137,678	98,759
Administrative expenses		480,990	386,558
Other operating income	2	<u>(331,950)</u>	<u>(368,955)</u>
OPERATING PROFIT	3	98,187	88,741
Interest receivable		308	526
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		98,495	89,267
Tax on profit on ordinary activities	4	<u>25,767</u>	<u>20,651</u>
PROFIT FOR THE FINANCIAL YEAR		<u>72,728</u>	<u>68,616</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 7 to 12 form part of these financial statements

OLD & MODERN MASTERS LIMITED

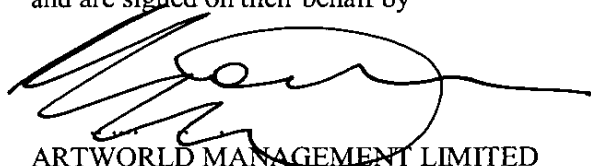
BALANCE SHEET

31 JANUARY 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Tangible assets	5	<u>70,610</u>	<u>52,077</u>
CURRENT ASSETS			
Stocks		5,105,249	4,564,749
Debtors	6	1,187,350	1,386,145
Cash at bank and in hand		<u>304,455</u>	<u>361,071</u>
		6,597,054	6,311,965
CREDITORS: Amounts falling due within one year	7	<u>1,747,109</u>	<u>2,913,846</u>
NET CURRENT ASSETS		<u>4,849,945</u>	<u>3,398,119</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,920,555</u>	<u>3,450,196</u>
CREDITORS: Amounts falling due after more than one year	8	4,130,692	2,732,397
PROVISIONS FOR LIABILITIES			
Deferred taxation	9	<u>4,232</u>	<u>4,896</u>
		<u>785,631</u>	<u>712,903</u>
CAPITAL AND RESERVES			
Called-up equity share capital	11	100	100
Profit and loss account	12	<u>785,531</u>	<u>712,803</u>
SHAREHOLDERS' FUNDS	13	<u>785,631</u>	<u>712,903</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These financial statements were approved by the directors and authorised for issue on *28 May 2012* and are signed on their behalf by



ARTWORLD MANAGEMENT LIMITED

Company Registration Number 04348253

The notes on pages 7 to 12 form part of these financial statements

OLD & MODERN MASTERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2012

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

Fixed assets

All fixed assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows

Fixtures & Fittings - over 15 years

Equipment - over 3 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

OLD & MODERN MASTERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2012

1. ACCOUNTING POLICIES *(continued)*

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. OTHER OPERATING INCOME

	2012	2011
	£	£
Commission receivable	330,994	368,003
Other operating income	956	952
	<u>331,950</u>	<u>368,955</u>

3. OPERATING PROFIT

Operating profit is stated after charging/(crediting)

	2012	2011
	£	£
Directors' remuneration	—	—
Depreciation of owned fixed assets	5,290	5,337
Auditor's fees	6,000	6,000
Net loss/(profit) on foreign currency translation	<u>13,374</u>	<u>(5,680)</u>

OLD & MODERN MASTERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2012

4. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2012 £	2011 £
Current tax		
In respect of the year		
UK Corporation tax based on the results for the year at 20 17% (2011 - 21%)	26,431	20,574
Over/under provision in prior year	<u>-</u>	<u>77</u>
Total current tax	26,431	20,651
Deferred tax		
Origination and reversal of timing differences (note 9)		
Capital allowances	(664)	<u>-</u>
Tax on profit on ordinary activities	<u>25,767</u>	<u>20,651</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 20 17% (2011 - 21%)

	2012 £	2011 £
Profit on ordinary activities before taxation	<u>98,495</u>	<u>89,267</u>
Profit on ordinary activities by rate of tax	19,866	18,746
Expenses not deductible for tax purposes	6,368	1,085
Adjustments to tax charge in respect of previous periods	-	77
Depreciation in excess of capital allowances	197	743
Total current tax (note 4(a))	<u>26,431</u>	<u>20,651</u>

OLD & MODERN MASTERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2012

5. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £	Equipment £	Total £
COST			
At 1 February 2011	73,346	2,974	76,320
Additions	23,823	–	23,823
At 31 January 2012	97,169	2,974	100,143
DEPRECIATION			
At 1 February 2011	21,669	2,574	24,243
Charge for the year	5,090	200	5,290
At 31 January 2012	26,759	2,774	29,533
NET BOOK VALUE			
At 31 January 2012	70,410	200	70,610
At 31 January 2011	51,677	400	52,077

6. DEBTORS

	2012 £	2011 £
Trade debtors	699,296	1,386,145
VAT recoverable	20,198	–
Other debtors	467,856	–
	1,187,350	1,386,145

7. CREDITORS: Amounts falling due within one year

	2012 £	2011 £
Trade creditors	1,599,600	2,396,492
Corporation tax	26,431	20,574
Other taxation	–	3,912
Other creditors	121,078	492,868
	1,747,109	2,913,846

8. CREDITORS: Amounts falling due after more than one year

	2012 £	2011 £
Amounts owed to group undertakings	4,130,692	2,732,397

OLD & MODERN MASTERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JANUARY 2012

9. DEFERRED TAXATION

The movement in the deferred taxation provision during the year was

	2012	2011
	£	£
Provision brought forward	4,896	4,896
Profit and loss account movement arising during the year	(664)	-
Provision carried forward	<u>4,232</u>	<u>4,896</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of

	2012	2011
	£	£
Excess of taxation allowances over depreciation on fixed assets	4,232	4,896
	<u>4,232</u>	<u>4,896</u>

10. RELATED PARTY TRANSACTIONS

There was no sole controlling party during the year under review

11. SHARE CAPITAL

Authorised share capital:

	2012	2011
	£	£
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

Allotted, called up and fully paid:

	2012		2011
	No	£	No
			£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>
			<u>100</u>

12. PROFIT AND LOSS ACCOUNT

	2012	2011
	£	£
Balance brought forward	712,803	644,187
Profit for the financial year	72,728	68,616
Balance carried forward	<u>785,531</u>	<u>712,803</u>

OLD & MODERN MASTERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 JANUARY 2012

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012	2011
	£	£
Profit for the financial year	72,728	68,616
Opening shareholders' funds	712,903	644,287
Closing shareholders' funds	<u>785,631</u>	<u>712,903</u>

14. ULTIMATE PARENT COMPANY

The parent company is Wainwright Investment Holdings Limited, a company registered in the British Virgin Isles