REGISTERED NUMBER: 05613954 (England and Wales)

Strategic Report, Report of the Directors and

Financial Statements for the Year Ended 31 December 2019

for

PIERCE PROTOCOLS LIMITED

Contents of the Financial Statements
FOR THE YEAR ENDED 31 DECEMBER 2019

PIERCE PROTOCOLS LIMITED

Company Information
FOR THE YEAR ENDED 31 DECEMBER 2019

DIRECTORS:	H M Pierce R Hare
REGISTERED OFFICE:	3rd Floor 126-134 Baker Street London W1U 6UE
REGISTERED NUMBER:	05613954 (England and Wales)
INDEPENDENT AUDITORS:	Butler & Co LLP Chartered Accountants & Statutory Auditor Third Floor 126-134 Baker Street London W1U 6UE

Strategic Report
FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their strategic report for the year ended 31 December 2019.

REVIEW OF THE BUSINESS
The company trades as an international art services company. The principal trading activities involve working with leading artists and estates across publishing, print-making, digital, film and art research.

Turnover for the year was £5.2m (2018 - £7.5m), a decrease of 31%. Gross profit for the year was £2.8m (2018 - £3.1m), a decrease of 10%, and the number of employees decreased from 52 in 2018 to 39 in 2019.

PRINCIPAL RISKS AND UNCERTAINTIES
The principal risks and uncertainties faced by the company are:

Foreign Currency Risk
The company's activities expose it to the financial risk of changes in foreign currency, principally the Euro and US dollar. The company manages the risk by using appropriate hedging techniques.

Liquidity Risk
The company monitors cash as part of its day-to-day control procedures. The company does not use derivative financial instruments for speculative purposes.

Credit Risk
The company's credit risk is primarily due to trade receivables.

FUTURE DEVELOPMENTS
The directors expect the company to continue to trade as an international art services business for the foreseeable future. The company continues to seek improvements in operational efficiency and effective cost management.

KEY PERFORMANCE INDICATORS
The directors use both financial and non-financial performance indicators to monitor the company's position.

The key financial performance indicators are sales of £5.2m (2018 - £7.5m) and gross profit of £2.8m (2018 - £3.1m).

The key non-financial performance indicators are artist and stakeholder relationships.

The directors are of the belief that the monitoring of the above-mentioned indicators is an effective aspect of business performance review.

ON BEHALF OF THE BOARD:

R Hare - Director

24 December 2020

Report of the Directors
FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

DIVIDENDS
No dividends will be distributed for the year ended 31 December 2019.

DIRECTORS
H M Pierce has held office during the whole of the period from 1 January 2019 to the date of this report.

Other changes in directors holding office are as follows:

R Hare was appointed as a director after 31 December 2019 but prior to the date of this report.

S Trood ceased to be a director after 31 December 2019 but prior to the date of this report.

POLITICAL DONATIONS AND EXPENDITURE
During the year the company did not make any political donations.

GOING CONCERN
The company made a loss before taxation for the year of £620,522 (2018 - 457,559), which was mainly due to an amount of £517,474 written off in respect of inter company balance due from a subsidiary in liquidation.

At the balance sheet date, the company had net liabilities of £1,098,098 (2018 - £502,157). Included in creditors falling due after one year is a loan of £14.9m (2018 - £14.3m). The directors have received confirmation from the creditor that they will not seek repayment of this loan until such time when the company is in a position to repay it.

Therefore, in the opinion of the directors, the company has adequate resources to meet its liabilities as and when they fall due and to continue in operational existence for the foreseeable future. The directors continue to adopt the going concern basis of accounting in preparing the financial statements.

DISCLOSURE IN THE STRATEGIC REPORT
The principal risks and uncertainties that the company is exposed to in respect of foreign currency risk, liquidity risk and credit risk have been disclosed in the strategic report.

DIRECTORS' RESPONSIBILITIES STATEMENT
The directors are responsible for preparing the Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 judgements and accounting 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.

Report of the Directors
FOR THE YEAR ENDED 31 DECEMBER 2019

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Butler & Co LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

R Hare - Director

24 December 2020

Report of the Independent Auditors to the Members of Pierce Protocols Limited

Opinion
We have audited the financial statements of Pierce Protocols Limited (the 'company') for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 December 2019 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.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Pierce Protocols Limited

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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.

Responsibilities of directors
As explained more fully in the Directors' Responsibilities Statement set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
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 a Report of the Auditors 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.

Mr Rajesh Patel (Senior Statutory Auditor)
for and on behalf of Butler & Co LLP
Chartered Accountants
& Statutory Auditor
Third Floor
126-134 Baker Street
London
W1U 6UE

24 December 2020

Statement of Comprehensive Income
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 £
TURNOVER	3	5,243,658	7,460,215
Cost of sales		2,409,002	4,368,215
GROSS PROFIT		2,834,656	3,092,000
Administrative expenses		3,739,572	3,989,623
		(904,916)	(897,623)
Other operating income		812,395	1,456,386
OPERATING (LOSS)/PROFIT		(92,521)	558,763
Interest receivable and similar income		45,596	43,153
		(46,925)	601,916
Amounts written off investments	6	(22,608)	656,030
		(24,317)	(54,114)
Interest payable and similar expenses	7	596,205	403,445
LOSS BEFORE TAXATION	8	(620,522)	(457,559)
Tax on loss	9	(24,581)	51,548
LOSS FOR THE FINANCIAL YEAR		(595,941)	(509,107)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(595,941)	(509,107)

The notes form part of these financial statements

Balance Sheet
31 DECEMBER 2019

	Notes	2019 £	2019 £	2018 £	2018 £
FIXED ASSETS					
Intangible assets	10		54,534		-
Tangible assets	11		536,260		717,242
Investments	12		1,855,509		1,832,901
			2,446,303		2,550,143
CURRENT ASSETS					
Stocks	13	3,601,811		3,711,391	
Debtors	14	9,981,720		10,269,343	
Cash at bank and in hand		313,947		257,530	
		13,897,478		14,238,264	
CREDITORS					
Amounts falling due within one year	15	2,434,833		2,910,003	
NET CURRENT ASSETS			11,462,645		11,328,261
TOTAL ASSETS LESS CURRENT LIABILITIES			13,908,948		13,878,404
CREDITORS					
Amounts falling due after more than one year	16		(14,927,394)		(14,276,749)
PROVISIONS FOR LIABILITIES	20		(79,652)		(103,812)
NET LIABILITIES			(1,098,098)		(502,157)
CAPITAL AND RESERVES					
Called up share capital	21		1		1
Retained earnings	22		(1,098,099)		(502,158)
SHAREHOLDERS' FUNDS			(1,098,098)		(502,157)

The financial statements were authorised for issue by the Board of Directors and authorised for issue on 24 December 2020 and were signed on its behalf by:

R Hare - Director

The notes form part of these financial statements

Statement of Changes in Equity
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2018	1	6,949	6,950
Changes in equity			
Total comprehensive income	-	(509,107)	(509,107)
Balance at 31 December 2018	1	(502,158)	(502,157)
Changes in equity			
Total comprehensive income	-	(595,941)	(595,941)
Balance at 31 December 2019	1	(1,098,099)	(1,098,098)

The notes form part of these financial statements

1. STATUTORY INFORMATION

Pierce Protocols Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern
The company made a loss before taxation for the year of £620,522 (2018 - 457,559), which was mainly due to an amount of £517,474 written off in respect of inter company balance due from a subsidiary in liquidation.

At the balance sheet date, the company had net liabilities of £1,098,098 (2018 - £502,157). Included in creditors falling due after one year is a loan of £14.9m (2018 - £14.3m). The directors have received confirmation from the creditor that they will not seek repayment of this loan until such time when the company is in a position to repay it.

Therefore, in the opinion of the directors, the company has adequate resources to meet its liabilities as and when they fall due and to continue in operational existence for the foreseeable future. The directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Financial Reporting Standard 102 - reduced disclosure exemptions
The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 33.7.

Preparation of consolidated financial statements
The financial statements contain information about Pierce Protocols Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Heni Holdings Limited, 3rd Floor, 126-134 Baker Street, London, W1U 6UE.

Critical accounting judgements and key sources of estimation uncertainty
The preparation of the financial statements requires the directors to make significant judgements and estimates. These estimates and judgements are continually reviewed and are based on experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The areas of judgement and estimates applied by the directors are not considered sufficiently significant to require disclosure in these financial statements.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover is recognised when the company has delivered goods and no other significant obligation remains unfulfilled that may affect the customer's acceptance of the products.

continued...

2. ACCOUNTING POLICIES - continued

Intangible assets
Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of ten years.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements	- over the lease term
Fixtures and fittings	- 33.33% and 20% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33.33% on cost

Tangible fixed assets are initially measured at cost, and subsequently measured at cost or valuation net of accumulated depreciation and impairment losses.

Investments in subsidiaries
Investments in subsidiary undertakings are recognised at cost.

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Financial instruments
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Financial costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

continued...

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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 transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. **TURNOVER**

The turnover and loss before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2019	2018
	£	£
Editions	4,763,802	7,134,071
Publishing	112,945	129,546
Others	366,911	196,598
	5,243,658	7,460,215

An analysis of turnover by geographical market is given below:

	2019	2018
	£	£
United Kingdom	613,365	2,438,912
Europe	676,026	589,798
United States of America	71,144	828,287
Rest of the World	3,883,123	3,603,218
	5,243,658	7,460,215

continued...

4. EMPLOYEES AND DIRECTORS

	2019	2018
	£	£
Wages and salaries	1,552,997	1,951,584
Social security costs	164,734	197,896
Other pension costs	36,568	28,704
	1,754,299	2,178,184

The average number of employees during the year was as follows:

	2019	2018
Direct Production	25	37
Administration	14	15
	39	52

	2019	2018
	£	£
Directors' remuneration	174,000	245,000
Directors' pension contributions to money purchase schemes	4,532	4,062

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	2	2

5. EXCEPTIONAL ITEMS

	2019	2018
	£	£
Inter company balance w/off	(517,474)	-

The above amount relates to an inter company balance due from one of the company's subsidiary, which went into liquidation after the balance sheet date.

6. AMOUNTS WRITTEN OFF INVESTMENTS

	2019	2018
	£	£
Impairment of fixed asset investments	(22,608)	656,030

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Interest on late paid CT	19	-
Loan interest	596,186	403,445
	596,205	403,445

continued...

8. LOSS BEFORE TAXATION

The loss is stated after charging/(crediting):

	2019	2018
	£	£
Hire of plant and machinery	22,075	11,470
Other operating leases	959,498	1,045,576
Depreciation - owned assets	221,237	253,145
Profit on disposal of fixed assets	(8,083)	(10,274)
Auditors' remuneration	25,000	30,000
Foreign exchange differences	172,035	105,492
Auditors remuneration - non audit services	22,000	10,000

Auditors remuneration, for audit and non-audit services, include charges relating to audit and non audit services provided to the immediate parent, Heni Limited and ultimate parent, Heni Holdings Limited.

9. TAXATION

Analysis of the tax (credit)/charge
The tax (credit)/charge on the loss for the year was as follows:

	2019	2018
	£	£
Current tax:		
UK corporation tax	-	56,928
Adjustment in respect of prior years	(421)	18,211
Total current tax	(421)	75,139
Deferred tax	(24,160)	(23,591)
Tax on loss	(24,581)	51,548

UK corporation tax was charged at 19%) in 2018.

continued...

9. TAXATION - continued

Reconciliation of total tax (credit)/charge included in profit and loss
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019	2018
	£	£
Loss before tax	(620,522)	(457,559)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	(117,899)	(86,936)
Effects of:		
Expenses not deductible for tax purposes	5,065	15,481
Income not taxable for tax purposes	(4,762)	-
Depreciation in excess of capital allowances	34,897	31,388
Adjustments to tax charge in respect of previous periods	(421)	18,211
Deferred tax (credit) / charge	(24,160)	(23,591)
Amounts written off investments	(4,296)	124,646
Group relief claimed	(11,325)	(27,651)
Inter company balance written off	98,320	-
Total tax (credit)/charge	(24,581)	51,548

10. INTANGIBLE FIXED ASSETS

	Patents and licences
	£
COST	
Additions	54,534
At 31 December 2019	54,534
NET BOOK VALUE	
At 31 December 2019	54,534

11. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Short leasehold costs £	Fixtures and fittings £
COST			
At 1 January 2019	406,114	-	362,216
Additions	-	46,373	2,350
Disposals	-	-	-
At 31 December 2019	406,114	46,373	364,566
DEPRECIATION			
At 1 January 2019	45,098	-	213,522
Charge for year	44,206	-	74,404
Eliminated on disposal	-	-	-
At 31 December 2019	89,304	-	287,926
NET BOOK VALUE			
At 31 December 2019	316,810	46,373	76,640
At 31 December 2018	361,016	-	148,694

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2019	16,500	357,110	1,141,940
Additions	-	6,716	55,439
Disposals	-	(25,943)	(25,943)
At 31 December 2019	16,500	337,883	1,171,436
DEPRECIATION			
At 1 January 2019	15,125	150,953	424,698
Charge for year	1,375	101,252	221,237
Eliminated on disposal	-	(10,759)	(10,759)
At 31 December 2019	16,500	241,446	635,176
NET BOOK VALUE			
At 31 December 2019	-	96,437	536,260
At 31 December 2018	1,375	206,157	717,242

continued...

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2019	1,832,901
Reversal of impairments	22,608
At 31 December 2019	1,855,509
NET BOOK VALUE	
At 31 December 2019	1,855,509
At 31 December 2018	1,832,901

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Prudence Cuming Associates Limited
Registered office: United Kingdom
Nature of business: Supplier of Fine Art photography and printing

Class of shares:	% holding
Ordinary	100.00

	2019 £	2018 £
Aggregate capital and reserves	59,414	244,578
Loss for the year	(185,164)	(183,920)

Grieger GmbH
Registered office: Germany
Nature of business: Artwork mounting

Class of shares:	% holding
Ordinary	100.00

	2019 £	2018 £
Aggregate capital and reserves	(1,035,195)	3,448
Loss for the year	(1,038,644)	(930,075)

Heni GmbH
Registered office: Germany
Nature of business: Non-trading holding company

Class of shares:	% holding
Ordinary	100.00

	2019 £	2018 £
Aggregate capital and reserves	(346,381)	1,285
Loss for the year	(347,666)	(21,323)

continued...

12. FIXED ASSET INVESTMENTS - continued

Heni Arts Consulting Co Limited
Registered office: China
Nature of business: Non Trading

Class of shares:	% holding
Ordinary	100.00

	2019
	£
Aggregate capital and reserves	(656)
Loss for the year	(739)

13. STOCKS

	2019	2018
	£	£
Work-in-progress	67,706	250,251
Finished goods	3,534,105	3,461,140
	3,601,811	3,711,391

14. DEBTORS

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	1,815,905	788,781
Amounts owed by group undertakings	5,368,814	4,362,832
Other debtors	95,360	1,926
Other loans	126,437	180,188
Directors' current accounts	-	1,476
Tax	6,255	-
VAT	55,615	34,255
Prepayments and accrued income	2,030,610	4,337,243
	9,498,996	9,706,701
Amounts falling due after more than one year:		
Other debtors	482,724	562,642
Aggregate amounts	9,981,720	10,269,343

continued...

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	1,476,076	1,543,633
Amounts owed to group undertakings	-	191,683
Tax	-	75,139
Social security and other taxes	27,457	58,711
Other creditors	1,173	-
Pension liability	5,234	6,201
Accruals and deferred income	924,893	1,034,636
	2,434,833	2,910,003

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2019	2018
	£	£
Other loans (see note 17)	14,872,936	14,276,749
Other creditors	54,458	-
	14,927,394	14,276,749

The above other loans bear annual interest rates of Libor + 3%, Euribor + 3%, and 5%. The loans are repayable between 2 to 7 years from the balance sheet date.

17. LOANS

An analysis of the maturity of loans is given below:

	2019	2018
	£	£
Amounts falling due between two and five years:		
Other loans - 2-5 years	5,171,454	-
Amounts falling due in more than five years:		
Repayable otherwise than by instalments		
Other loans more 5yrs non-inst	9,701,482	14,276,749

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018
	£	£
Within one year	857,924	806,829
Between one and five years	2,563,916	2,883,675
In more than five years	1,116,549	1,757,528
	4,538,389	5,448,032

continued...

19. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Other loans	5,000,000	5,000,000

Included in other loans payable at year-end of £14,872,935 (2018: £14,276,749) is a loan of £5,000,000 (2018: £5,000,000) which is secured by a first legal charge over some of the company's Edition stocks.

20. PROVISIONS FOR LIABILITIES

	2019	2018
	£	£
Deferred tax		
Accelerated capital allowances	19,652	43,812
Other provisions	60,000	60,000
	79,652	103,812

	Deferred tax	Other provisions
	£	£
Balance at 1 January 2019	43,812	60,000
Credit to Statement of Comprehensive Income during year	(24,160)	-
Balance at 31 December 2019	19,652	60,000

Other provisions relate to provision for dilapidations.

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2018
			£	£
1	Ordinary	£1.00	1	1

22. RESERVES

	Retained earnings
	£
At 1 January 2019	(502,158)
Deficit for the year	(595,941)
At 31 December 2019	(1,098,099)

23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

At the balance sheet date, a director owed the company £Nil (2018: £1,476).

continued...

24. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

At the balance sheet date, the company was owed £126,437 (2018: £126,281) from a community interest company with common directorship. The loan is repayable on demand.

25. ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking is Heni Holdings Limited, a company registered in England and Wales. The company's registered address is 3rd Floor, 126-134 Baker Street, London, W1U 6UE.

The immediate parent undertaking is Heni Limited, a company registered in England and Wales.

Heni Holdings Limited prepares group financial statements, which are the largest and the smallest group financial statements within which the results of the company are included, and which are publicly available from Companies House.