

Company Registration No. 06524638 (England and Wales)

AUGUSTUS BRANDT ANTIQUES INTERNATIONAL LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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AUGUSTUS BRANDT ANTIQUES INTERNATIONAL LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	4		29,372		34,350
Current assets					
Stocks		1,074,915		1,227,374	
Debtors	5	119,010		53,021	
Cash at bank and in hand		37,645		139,580	
		<u>1,231,570</u>		<u>1,419,975</u>	
Creditors: amounts falling due within one year	6	<u>(2,061,452)</u>		<u>(1,993,640)</u>	
Net current liabilities			<u>(829,882)</u>		<u>(573,665)</u>
Total assets less current liabilities			<u>(800,510)</u>		<u>(539,315)</u>
Creditors: amounts falling due after more than one year	7		<u>(1,025,982)</u>		<u>(995,208)</u>
Net liabilities			<u>(1,826,492)</u>		<u>(1,534,523)</u>
Capital and reserves					
Called up share capital	8		120		120
Share premium account			265,610		265,610
Profit and loss reserves			<u>(2,092,222)</u>		<u>(1,800,253)</u>
Total equity			<u>(1,826,492)</u>		<u>(1,534,523)</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

AUGUSTUS BRANDT ANTIQUES INTERNATIONAL LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2020

The financial statements were approved and signed by the director and authorised for issue on 22 March 2021

N Jones

Director

Company Registration No. 06524638

AUGUSTUS BRANDT ANTIQUES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Augustus Brandt Antiques International Limited is a private company limited by shares incorporated in England and Wales. The registered office is Martlet House, E1, Yeoman Gate, Yeoman Way, Worthing, West Sussex, BN13 3QZ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The company is dependent on the continued support of the former director K M M Al Tajir, in its ability to continue as a going concern. The former director K M M Al Tajir has provided the company with loans without any formal repayment terms and has confirmed that the loans will not be repaid until the company has sufficient funds in place to do so. At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

1.4 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Over 3 years
Fixtures and fittings	25% reducing balance basis per annum
Office equipment	33.33% straight line basis per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

AUGUSTUS BRANDT ANTIQUES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

AUGUSTUS BRANDT ANTIQUES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

AUGUSTUS BRANDT ANTIQUES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	11	9
	<u> </u>	<u> </u>

3 Dividends

Preference dividends in arrears total £180,104 (2019 - £162,604).

AUGUSTUS BRANDT ANTIQUES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

4 Tangible fixed assets

	Leasehold land and buildings	Fixtures and fittings	Office equipment	Total
	£	£	£	£
Cost				
At 1 April 2019	38,535	53,409	29,488	121,432
Additions	-	962	6,627	7,589
At 31 March 2020	38,535	54,371	36,115	129,021
Depreciation and impairment				
At 1 April 2019	38,535	28,879	19,668	87,082
Depreciation charged in the year	-	6,210	6,357	12,567
At 31 March 2020	38,535	35,089	26,025	99,649
Carrying amount				
At 31 March 2020	-	19,282	10,090	29,372
At 31 March 2019	-	24,530	9,820	34,350

5 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	9,140	22,187
Other debtors	108,714	20,915
Prepayments and accrued income	1,156	9,919
	119,010	53,021

6 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	115,341	100,345
Taxation and social security	28,611	20,062
Other creditors	1,852,018	1,688,825
Accruals and deferred income	65,482	184,408
	2,061,452	1,993,640

AUGUSTUS BRANDT ANTIQUES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

7 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Other borrowings		350,000	350,000
Amounts owed to group undertakings		495,878	482,604
Preference dividends payable		180,104	162,604
		<u>1,025,982</u>	<u>995,208</u>

At the balance sheet date the company has an outstanding liability of £180,104 (2019: £162,604) to the holders of the preference shares.

8 Called up share capital

	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	120	120	120	120
	<u>120</u>	<u>120</u>	<u>120</u>	<u>120</u>
Preference share capital Issued and fully paid				
Preference shares of £1 each	350,000	350,000	350,000	350,000
	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>
Preference shares classified as liabilities			350,000	350,000
			<u>350,000</u>	<u>350,000</u>

There are two classes of shares in issue. The ordinary shares are voting shares and carry full voting and dividend rights after the payment of the preferential dividend. The preference shares carry a dividend of 5% per annum, payable half-yearly in arrears. The dividend rights are cumulative. The preference shares carry no votes at meetings unless the dividend thereon is in arrears or the business of the meeting includes a resolution varying, modifying, altering or abrogating any of the rights, privileges, limitations or restrictions attached to them. On a winding up of the company the preference shareholders have a right to receive, in preference to payments to ordinary shareholders, £1 per share plus any accrued dividend.

9 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020 £	2019 £
	1,343,000	1,445,000
	<u>1,343,000</u>	<u>1,445,000</u>

AUGUSTUS BRANDT ANTIQUES INTERNATIONAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

10 Events after the reporting date

In December 2019, a novel strain of coronavirus ("COVID-19") was reported in Wuhan, China. The virus has promulgated significantly outside China, and now exists in most of the world. As a result, the World Health Organization declared COVID-19 a pandemic in March 2020.

Considering not only the activity carried on by the company but also information available at the present date, no material impact resulting from this event is estimated in terms of the financial statements for the year ending 31 March 2020.

The company is closely monitoring the situation, by taking all required measures to limit the risk of contagion of employees, to maintain the company's business, together with taking several steps to further strengthen the financial position and maintaining the company's financial liquidity. The company's management has activated several operating and safety procedures, in order to mitigate the potential impact on operations.

11 Related party transactions

Transactions with related parties

The company is held in a small group, in which the former director K M M Al Tajir has a material interest.

The company is controlled by Pound Street Trading Limited, the company's immediate parent company within the group structure. Pound Street Trading Limited has provided the company with a long term loan, the amount outstanding at the balance sheet date was £495,878 (2019: £482,604). Interest of £13,724 (2019: £12,866) has been charged at the official Bank of England base rate plus a commercial margin of 2%.

During the year the company was provided with loans on an interest free basis from companies outside the group structure, in which the director K M M Al Tajir has a material interest. The loans outstanding at the balance sheet date totaled £1,658,033 (2019: £1,495,463).

12 Parent company

The ultimate parent company is Pound Street Trading Limited, a company incorporated in the British Virgin Islands.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.