

Registered number: 08074101

MICHAEL WERNER GALLERY UK LIMITED

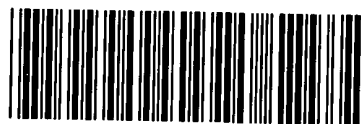
UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2021

FRIDAY



ABDNBEGO

A22

30/09/2022

#408

COMPANIES HOUSE

MICHAEL WERNER GALLERY UK LIMITED

COMPANY INFORMATION

Director	G Veneklasen
Registered number	08074101
Registered office	22 Upper Brook Street London W1K 7PZ
Accountants	Rawlinson & Hunter LLP Chartered Accountants Eighth Floor 6 New Street Square New Fetter Lane London EC4A 3AQ

MICHAEL WERNER GALLERY UK LIMITED

CONTENTS

	Page
Balance Sheet	1 - 2
Notes to the Financial Statements	3 - 10

MICHAEL WERNER GALLERY UK LIMITED
REGISTERED NUMBER: 08074101

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	9,579	18,086
		<u>9,579</u>	<u>18,086</u>
Current assets			
Debtors: amounts falling due after more than one year	5	340,898	340,898
Debtors: amounts falling due within one year	5	821,990	154,182
Cash at bank and in hand	6	805,286	833,438
		<u>1,968,174</u>	<u>1,328,518</u>
Creditors: amounts falling due within one year	7	(1,199,605)	(676,104)
Net current assets		768,569	652,414
Total assets less current liabilities		<u>£ 778,148</u>	<u>£ 670,500</u>
Creditors: amounts falling due after more than one year	8	2,242,254	2,244,592
Provisions for liabilities	10	153,000	153,000
Capital and reserves			
Called up share capital	11	100	100
Profit and loss account		(1,617,206)	(1,727,192)
		<u>(1,617,106)</u>	<u>(1,727,092)</u>
		<u>£ 778,148</u>	<u>£ 670,500</u>

MICHAEL WERNER GALLERY UK LIMITED
REGISTERED NUMBER: 08074101

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The director considers that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

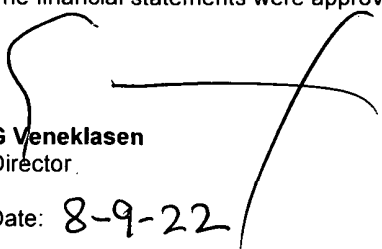
The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



G Veneklasen
Director

Date: 8-9-22

The notes on pages 3 to 10 form part of these financial statements.

MICHAEL WERNER GALLERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Michael Werner Gallery UK Limited is a private company, limited by shares, incorporated in England and Wales with registration number of 08074101. The registered office is 22 Upper Brook Street, London, W1K 7PZ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis which assumes the continued financial support of Mr G Veneklasen, the director and sole shareholder of the company. The director has provided confirmation of his intention to provide such financial support as is necessary for the company to continue in operation for the foreseeable future and at least twelve months from the date of signing of these financial statements.

The Covid-19 pandemic has created significant operational and financial pressures on the company. Having considered the contingency plans in place, the support to businesses announced by the UK Government and having reviewed updated cashflow forecasts, the director considers the adoption of the going concern basis in preparing these financial statements is appropriate.

2.3 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

MICHAEL WERNER GALLERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Operating leases: the company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Profit and Loss Account in the same period as the related expenditure.

2.7 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

MICHAEL WERNER GALLERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.8 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short-term leasehold property	- Over the asset's remaining life
Fixtures and fittings	- 25-33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

MICHAEL WERNER GALLERY UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.14 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

3. Employees

The average monthly number of employees, including directors, during the year was 8 (2020 - 9).

MICHAEL WERNER GALLERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Tangible fixed assets

	Short-term leasehold property £	Fixtures, fittings & equipment £	Total £
Cost or valuation			
At 1 January 2021	375,676	218,416	594,092
Additions	-	3,794	3,794
At 31 December 2021	375,676	222,210	597,886
Depreciation			
At 1 January 2021	375,676	200,330	576,006
Charge for the year on owned assets	-	12,301	12,301
At 31 December 2021	375,676	212,631	588,307
Net book value			
At 31 December 2021	-	9,579	9,579
At 31 December 2020	-	18,086	18,086

MICHAEL WERNER GALLERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

5. Debtors

	2021 £	2020 £
Due after more than one year		
Other debtors	340,898	340,898
	<u>340,898</u>	<u>340,898</u>

Included within other debtors, due after more than one year are the rent deposits which are secured by legal charge to meet any liabilities due to the landlord.

	2021 £	2020 £
Due within one year		
Trade debtors	651,500	-
Other debtors	88,993	59,498
Prepayments and accrued income	81,497	94,684
	<u>821,990</u>	<u>154,182</u>

6. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>805,286</u>	<u>833,438</u>

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	273,793	405,109
Other taxation and social security	31,815	11,122
Other creditors	377,094	3,131
Accruals and deferred income	516,903	256,742
	<u>1,199,605</u>	<u>676,104</u>

MICHAEL WERNER GALLERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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

	2021 £	2020 £
Other creditors	2,242,254	2,244,592
	<u>2,242,254</u>	<u>2,244,592</u>

9. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>805,286</u>	<u>833,438</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

10. Provisions

	Dilapidation provision £
At 1 January 2021	153,000
At 31 December 2021	<u>153,000</u>

Dilapidation provision

The company is required to perform certain remedial works to its leased premises at the end of the lease term at the option of its landlord. The provision is to recognise the potential costs of such works, which the company is contractually obliged to carry out.

11. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
100 (2020 - 100) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

MICHAEL WERNER GALLERY UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. Contributions totalling £3,264 (2020 - £2,703) were payable to the fund at the balance sheet date and are included in creditors.

13. Commitments under operating leases

At 31 December 2021 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	47,605	285,630
Later than 1 year and not later than 5 years	-	47,605
	<u>47,605</u>	<u>333,235</u>

14. Controlling party

The ultimate controlling party is G Veneklasen who owns 100% of issued shared capital.